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Japan

'Agreement' on Trade Before G-7 Summit Difficult

OW1906112894 Tokyo KYODO in English 1119 GMT 19 Jun 94

[Text] Oita, June 19 KYODO—International Trade and Industry Minister Eijiro Hata said Sunday it will be difficult for Japan and the United States to reach "a complete agreement" in their framework trade talks by the G-7 summit meeting scheduled for July 8-10 in Naples.

At a press meeting in Oita, western Japan, Hata did not elaborate further, but said the two countries have already agreed on the direction of the trade talks. Hata also said that Japan would not agree to setting "numerical targets" since it could lead to managed trade. Japan has strongly refused U.S. demands to set numerical targets to measure progress in the opening of the Japanese market. Hata added that Japan will not replace "objective criteria" with numerical targests.

Both Japanese and U.S. officials have said they want to get an agreement at least on some industry sectors prior to the Naples summit of the Group of Seven leading industrialized nations. A bilateral summit meeting between Prime Minister Tsutomu Hata and U.S. President Bill Clinton is scheduled in Naples.

The current trade talks between Japan and the U.S. focus on seven Japanese market sectors of particular interest to U.S. firms. Among them are Japanese Government procurement of telecommunications and medical equipment, insurance, and automobiles and auto parts.

The two countries have also kicked off negotiations to ease market-access regulations in Japan's financial sector, tighten the protection of foreign patents and copyrights in Japan and increase sales of foreign-made flat glass in Japan.

U.S. Insurance Firm Approved To Operate in Japan

OW2006062394 Tokyo KYODO in English 0528 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—The Ministry of Finance on Monday [20 June] gave approval to Unum Life Insurance Co., a major U.S. accident insurance company, to sell workers' accident compensation insurance in Japan, ministry officials said.

The company, based in Portland, Maine, will set up its Japanese unit in Tokyo at a capital of 3 billion yen and start its operations in October, the officials said.

Unum will sell a new type of insurance that assures long-term compensation of income for the insured, who are unable to keep working because of injuries and diseases, the officials said.

Results of Carter Trip to DPRK Welcomed

OW2006084494 Tokyo KYODO in English 0828 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Japan welcomed Monday recent developments toward solving the situation over North Korea's nuclear facilities, including possible resumption of talks between North korea and the United States and a summit between the top leaders of North and South Korea.

Japan welcomes the results of a visit to North Korea by former U.S. President Jimmy Carter, Vice Foreign Minister Kunihiko Saito said.

He told a press conference Japan will continue to watch the developments following Carter's Pyongyang trip and to make the utmost efforts in calling for a "serious" response from North Korea while maintaining close contact with the U.S. and South Korea.

Turning to Japan's proposal to assist North Korea to convert its present nuclear facilities to a light-water reactor, Saito echoed Foreign Minister Koji Kakizawa's remarks over the weekend that such aid would take place if Tokyo and Pyongyang discuss the issue within the context of normalization talks.

Since Japan's economic aid for North Korea after normaliztaion of bilateral relations is one of the topics in the normalization talks, it is natural that Japan's help to convert to a light-water reactor will also be discussed, Saito said.

Japan and North Korea have not held normalization talks since November 1992 due to a stalemate over international inspections of North Korea's nuclear facilities.

Tokyo Positive on DPRK-ROK Summit Agreement

Summit Welcomed

OW1806140194 Tokyo KYODO in English 1349 GMT 18 Jun 94

[Text] Tokyo, June 18 KYODO—Japan greeted with cautious welcome a Saturday agreement between the top leaders of North and South Korea on a summit meeting to defuse the current crisis over Pyongyang's suspected nuclear arms program.

Prime Minister Tsutomu Hata said, "the fact that things have gone that far means a good climate has been produced. I hope the summit will succeed by all means."

Foreign Minister Koji Kakizawa also said he welcomed the news, and voiced expectations of moves toward North Korea's acceptance of international nuclear inspections.

A Foreign Ministry official concurred, saying, "that means the conditions are being set for a solution to the issue."

Earlier in the day, South Korean President Kim Yong-sam accepted North Korean President Kim Il-song's overture, agreeing to a summit meeting without conditions.

Some Japanese officials, however, hedged their welcome of the development with caution.

"We have seen similar moves before, but a solution has been prolonged," one ministry official said.

He said a real solution will not be found until North Korea fully accepts inspections by the International Atomic Energy Agency, the U.N. nuclear safety watchdog.

The official also pointed to the unofficial status of former President Jimmy Carter, who visited North Korea as a "private citizen" to seek a peaceful solution to the issue and conveyed the North Korean leader's proposal for a summit to Seoul.

He said Japan should keep close watch on Washington's official assessment on the results of Carter's mission.

Hata Comments

OW1806112194 Tokyo KYODO in English 1111 GMT 18 Jun 94

[Text] Tokyo, June 18 KYODO—Prime Minister Tsutomu Hata on Saturday welcomed the proposed summit between the North and South Korean leaders and expressed hope for its success.

"The fact that things have gone that far means a good climate has been produced. I hope the summit will succeed by all means," Hata told reporters.

He was commenting on reports from Seoul that South Korean President Kim Yong-sam has accepted his North Korean counterpart Kim Il-song's offer to hold a bilateral summit without any conditions to discuss the 15-month-old row over Pyongyang's suspected nuclear arms development program and other issues.

It will be the first summit on the Korean peninsula, divided since 1948.

Kakizawa Comments

OW1806120594 Tokyo NHK General Television Network in Japanese 1006 GMT 18 Jun 94

[From the "NHK News 9" program]

[Text] The Japanese Government's reaction to North-South Korean summit talks follows:

[Video shows Foreign Minister Kakizawa speaking into a microphone at an unidentified location] [begin Kakizawa recording] Japan hopes that both North and South Korea will work for a peaceful settlement to the North Korean nuclear issue. An opportunity has been created wherein the two Koreas will hold summit talks, and this development is in accord with Japan's hopes. In that sense, I welcome the North-South summit talks.

I believe it is important for North Korea to clear up suspicions about its development of nuclear weapons by allowing the IAEA to conduct inspections of its nuclear facilities. I hope that the two Koreas will discuss the North Korean nuclear issue at the North- South summit talks. [end recording]

Foreign Minister Kakizawa also stated Japan would do what it can do to resolve the North Korean nuclear issue through dialogue.

Kakizawa Talks About DPRK Nuclear Issue

Roundtable Discussion Held

OW1906140894

[Editorial Report] Tokyo NHK General Television Network at 0000 GMT on 19 June, in its 60-minute live roundtable discussion program titled "Sunday Discussion," carries an approximately 21- minute interview with Foreign Minister Koji Kakizawa on the situation on the Korean Peninsula. The program, entitled "The Issue of the DPRK's Suspected Nuclear Development—What Is President Kim Il-song Really Thinking?," is participated in by Foreign Minister Koji Kakizawa, Keio University professor Masao Okonogi, NHK Political Department reporter Ryuichi Tejima, and later by Serig Harrison—according to on-screen caption—a member of the Carnegie International Peace Foundation and Pak Su-kil—according to on-screen caption—director of the ROK Foreign and Security Affairs Research Institute, with NHK Commentator Takashi Yamamoto serving as moderator.

At 0002 GMT, after a brief video review on recent developments in the situation on the Korean Peninsula, Yamamoto introduces today's guests, explaining the program will have two parts with the first half placing emphasis on an interview with Foreign Minister Kakizawa and the second half of the program will be for discussions among the participants in the NHK studio and participants in Seoul and Washington through a satellite hookup.

Yamamoto first asks Kakizawa about his evaluation of the drastic change in the situation following former U.S. President Carter's visit to the DPRK. Kakizawa says: "In talks with Carter, the DPRK sent various messages such as the freezing of its nuclear development program and a guarantee for nuclear inspections by the International Atomic Energy Agency [IAEA]. I think the DPRK gave positive answers in the talks. In this sense, the talks have provided the basis for talks between the United States and the DPRK... [pauses] truly speaking there is the possibility that the talks will be considered as having paved the way for future U.S.-DPRK talks. In this sense, the talks were meaningful." He adds that after hearing the details of the talks form Carter, the Clinton administration will add finishing touches through diplomatic channels to what has been discussed between Carter and Kim Il-song. But he says it will take some time before the third round of U.S.- DPRK talks is held.

Asked what he thinks about the possibility of summit talks between South and North Korea, Kakizawa notes: "We hope that summit talks will materialize. But the two sides need to discuss at the working level details of the talks, such as places for them, and I think such working level talks will be held early next week."

At 0005 GMT, South Korean Foreign and Security Affairs Research Institute Director Pak Su-kil joins the program via a satellite hookup. Asked about how the South Korean Government views the DPRK's offer to hold summit talks. Pak, speaking in Korean with voiced-over simultaneous translation in Japanese, quotes Kim Yong- sam as accepting the DPRK's proposal to hold summmit talks. Pak then cites what was discussed between Kim Yong-sam and Carter in Seoul on 18 June.

In the NHK studio, Keio University professor Okonogi gives his view on the situation, saying Pyongyang aimed to take the opportunity of Carter's visit as breakthrough in the situation. Saying Pyongyang has turned to taking a flexible, realistic approach, Yamamoto asks Foreign Minister Kakizawa what he thinks of such an attitude. Kakizawa answers: "The DPRK has taken such an attitude mindful of the fact that its replacement of all of the fuel rods from experimental reactors has caused unexpectedly harsh criticism by the international community, including China. I think Kim Il-song must have thought that if no progress were made in the situation, resolutions for sanctions against the DPRK will be adopted at the UN Security Council [UNSC], thus driving Pyongyang into a corner, and that it is necessary to decisively provide a breakthrough, as professor Okonogi has said, by taking advantage of Carter's visit to Pyongyang before the situation becomes worse for the DPRK. But there are still some vague points in Pyongyang's position. Although Kim Il-song has reportedly proposed freezing the nuclear development program, I wonder what he means by freeze. He also said the DPRK will freeze its program if the United States extends cooperation in transforming its graphite-based reactor into a light-water reactor. But it takes much time, and I wonder who will bear the cost. In addition, when Pyongyang comes to accept the IAEA inspections, I wonder—although there are nuclear facilities that are believed to be radioactive waste storage facilities—whether the DPRK will accept special inspections of such facilities. Special inspections of such facilities enables the IAEA to judge whether reactors have been operated for nuclear development purposes in the past. Unless special inspections are made, the IAEA will not be able to grasp the facts concerning nuclear development. For this reason, I wonder whether the DPRK will accept special inspections." Citing Kim Il-song's previous remarks that the DPRK has nothing to hide expect military facilities, Kakizawa says: "I think, if what he means by military facilities are the radioactive waste storage facilities, there is a wide gap between the West and the DPRK in their views on special inspections."

Yamamoto says it is still unclear whether inspections will be made to judge whether the DPRK tried to develop nuclear weapons in the past, and asks Foreign Minister Kakizawa how Japan will deal with the issue of the DPRK's past nuclear development activities. Kakizawa notes: "Japan is serious about this issue because it considers that if the DPRK comes to possess nuclear weapons in the future, it would drastically change the framework of security in Northeast Asia and that the DPRK's missiles, which are under development now, would become a direct threat to Japan. Another concern is that if the DPRK should come to develop nuclear arms, it would be a serious blow to the Nuclear Nonproliferation Treaty [NPT]—which is signed by 164 nations—and cause distrust between NPT member nations." He adds that if other nations should come to possess nuclear weapons one after another, it would create a world trend that seriously runs counter to Japan's three principles of not making, possessing, or bringing in nuclear weapons. He then says: "I hope the DPRK's past nuclear development plans will also be included in the subject of inspections."

NHK reporter Tejima also asks what approach Japan will take in having the DPRK's past nuclear development plans inspected. Kakizawa says: "This will be the major issue to be solved." He then notes the need to make efforts to keep close ties with the United States and South Korea to ensure that the IAEA inspections will include inspections of the DPRK's past nuclear development activities. Asked if Japan plans to call on the United States to make it clear that inspections will include inspections of the DPRK's past development activities, Kakizawa says it is necessary to see based on the results of coming various talks between Washington and Pyongyang, reiterating Japan welcomes the favorable development of the situation.

At 0018 GMT, Carnegie International Peace Foundation member Serig Harrison in Washington joins the program through remote hookup, citing U.S. Government reaction to the outcome of Carter-Kim Il-song talks, stressing the effect of Japan's cooperation in building a light-water reactor. Kakizawa says "it is not easy for the government to win the people's consensus" on cooperation in building a light-water reactor because past talks between Japan and the DPRK on normalizing diplomatic relations ended in failure due to the DPRK's own convenience. Regarding the possible resumption of Japan-DPRK talks, Kakizawa says: "Japan always opens its door to the DPRK. If the DPRK wants to resume talks, Japan is willing to take its seat for talks." Asked whether it is necessary to continue to discuss sanction measures, Kakizawa says: "Although discussions on sanctions will be continued until the situation becomes clear, I think calls for sanctions at the UNSC will be toned down because of the DPRK's positive message."

As for sanctions against the DPRK, NHK reporter Tejima explains the major points of the sanctions proposed by the United States. He then asks Kakizawa what went on in his recent talks with Chinese leaders. Kakizawa reviews the outcome of his talks, explaining China's basic stand of settling the issue through dialogue. Citing the government as previously saying it will act within the limits of the Constitution, Yamamoto asks what it means by the limits of the Constitution. Kakizawa says it is necessary to discuss to what extent Japan can implement sanctions if they are adopted at the UNSC.

As the last question, Yamamoto asks Kakizawa what role Japan can play in settling the issue. Kakizawa says: "Since the DPRK seems to be placing emphasis on dialogue with the United States, Japan intends to exchange opinions with the United States and cooperate in materializing U.S.- DPRK talks." He stresses it is also important to keep close contact with South Korea, China, and Russia. At 0038 GMT, the interview with Kakizawa ends and he leaves the studio.

More Discussion on Issue

OW1906165194

[Editorial Report] Tokyo FNN Television Network in Japanese at 2240 GMT on 18 June, in its regular Sunday "News 2001" newsmagazine program, carries a 37-minute discussion on the DPRK nuclear issue with Foreign Minister Koji Kakizawa at the FNN studio in Tokyo and (Thomas Hubbard), U.S. acting assistant secretary of state, in Washington linked by satellite hookup. The program, moderated by newscasters Yuji Kuroiwa and Megumi Sekito, also has political commentator Kenichi Takemura and Keio University professor Yoshiaki Kobayashi participating as guest commentators.

An interview with Foreign Minister Kakizawa begins at 2251 GMT. Kuroiwa asks him if he feels the crisis over the DPRK has receded as a result of Carter's meetings with Kim. Kakizawa says: "We need to watch a little longer. In connection with the U.S.-DPRK talks, President Kim Il-song talked about freezing nuclear programs. But what does freezing nuclear programs mean? Did he mean to say he is willing to accept inspections of nuclear facilties including special inspections? This point needs to be confirmed through diplomatic channels." He adds even the South-North Korea summit will need to be preceded by working-level meetings, thus suggesting that some time will pass before the government can pass judgment on the situation—on whether "the situation will head for better."

Asked about a possible UN sanctions resolution, Kakizawa replies: "When Secretary of State Christopher phoned me the day before yesterday, he clearly said the discussions on sanctions by the United Nations will continue." Kakizawa says he thinks the United States has not revised its policy on "acting in cooperation with other countries in putting pressure on the DPRK, and drawing out concessions from the country by exerting such pressure."

Moderator Kuroiwa asks again whether the United States had made a concession to the DPRK and has decided not to ask it about its development programs in the past. Kakizawa says: "I have heard all kinds of stories to that effect coming from the United States, but they have not been verified."

Kakizawa adds: "On holding the third U.S.-DPRK talks, there is the premise that the DPRK will fully accept IAEA verification actions, including special inspections. The special inspections will cover nuclear waste storage facilities. It is said that since some fuel rods have been removed, verifications hereafter will be difficult. But if inspections can be conducted on areas other than those currently allowed, then we will be able to find out about the past operation of the reactor to a certain degree."

The foreign minister says he wants a solution which will not ignore or forgive what the DPRK currently has as regards nuclear arms. He insists "Japan cannot accept the neighboring DPRK possessing nuclear arms."

[Editorial Report] Referring to Japan's stand on UN sanctions, Kakizawa states: "Our nation is always clarifying its stand toward attaching importance to discussions at the United Nations. Even if sanctions are discussed at the United Nations, those would not be intended to punish North Korea for developing its nuclear program. Rather, UN sanctions should be designed as the international community's message to encourage North Korea's return to the framework of the IAEA. In this sense, a consultative settlement of the issue is our final goal."

When asked about the possibility of U.S. concession to the DPRK, Kakizawa says: "No U.S. officials have formally said yet that the United States can tolerate North Korea's nuclear weapons development program." Kakizawa then calls for Japan's serious and thorough discussion of crisis management, saying: "U.S. Assistant Secretary of State [Robert] Gallucci said that the DPRK already has the plutonium to produce one or two nuclear bombs. In addition, North Korea is reportedly developing missiles which can reach Japan. So, we must deal with the issue taking into account the fact that, unlike the Gulf crisis, the DPRK issue is an immediate threat to Japan. However, we do not have to become too nervous about such provocative remarks by North Korea as covering Seoul with a sea of fire. What we have to do at the level of the public is to discuss the nation's crisis management as our own problem."

When asked whether Japan intends to open a direct dialogue with North Korea, Kakizawa notes that normalization talks with the DPRK should be resumed upon Pyongyang's request, saying: "Six rounds of Japanese-DPRK normalization talks have been held in Beijing, but the talks have been suspended since November 1992, when the North Korean delegation stormed out of the talks. We have repeatedly conveyed to North Korea our position that we will always be happy to resume the talks; the door is always open."

Kakizawa then notes that the upcoming U.S.-North Korean talks and ROK-North Korean talks may pave the way for the resumption of Japanese-DPRK normalization talks. He adds that a settlement of the nuclear issue is the absolute prerequisite for a successful conclusion to the Japanese-DPRK talks, saying: "The Japanese-North Korean normalization talks may make considerable progress if North Korea freezes its nuclear development program and fully accepts IAEA inspections."

Kakizawa then touches on Japan's stand toward Kim Il-song's proposal for Western aid to use in replacing the DPRK's existing reactors with light-water reactors. He says: "I think that the proposal will become a major subject hereafter, and it may be possible for Japan to cooperate in this field. However, considerable progress in the normalization talks would be the precondition for doing that."

With regard to possible UN Security Council (UNSC) sanctions against North Korea, moderator Kuroiwa asks if Japan is ready to implement UNSC sanctions. In reply, Kakizawa notes: "Regarding the contents of such sanctions, the United States briefed us in advance on its proposal. Japan is not in position to disclose the U.S. plan, and it is difficult for us to make formal comments. When the UNSC approves the U.S. plan, the first phase of the sanctions would be imposed if North Korea demonstrates no cooperation to the IAEA within 30 days. I think it is quite certain that Japan will participate in the first phase. The second phase would be imposed if the DPRK continues its nuclear development program and remains a threat to international peace, and this would include a ban on remittances from Japan. But, the second phase has to be determined by another UNSC resolution. If North Korea continues to refuse IAEA inspections at the time of that step, Japan would have to deal with the issue as an immediate threat to its national security. In this regard, we would have to do everything that we can do even though the ban on remittances involves many difficulties."

As for tangible measures for UNSC sanctions, Kakizawa says that the UNSC currently plans no military actions against the DPRK. However, he notes that even a ban on trade can involve such compulsory actions as boarding searches by the military, and that a constitutional controversy may arise in Japan over to what extent Japan can take part in such actions. He states: "From a common- sense point of view, it would be difficult for Japan to mobilize the Maritime Self-Defense Force and to allow it to conduct boarding searches. So, I guess the focal point is what Japan can do in the area of logistics. At present, there are many legal limitations even on constitutional logistical operations. When legislative decisions are needed, we will have to wait for debates in the Diet." When asked if the government intends to be involved in every logistical operation, Kakizawa replies that "what we can do will depend on the nation's discussions hereafter."

Need To Verify Nuclear Programs

OW2006045594 Tokyo NHK General Television Network in Japanese 0300 GMT 20 Jun 94

[Statement by Foreign Minister Koji Kakizawa at the House of Councillors' Foreign Affairs Committee on 20 June—recorded]

[Text] I believe it is quite impossible for the United States to take the position of ignoring altogether what has occurred in the past. On Japan's part, as members of this committee just pointed out, since the production of nuclear weapons on the Korean peninsula represents a direct threat, we maintain that there is a need to continue efforts to verify even the past operational records of nuclear reactors.

More on Verification Issue

OW2006051394 Tokyo KYODO in English 0503 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Foreign Minister Koji Kakizawa said Monday [20 June] Japan still wants North Korea to come clean on its nuclear program.

"If nuclear weapons are created on the Korean peninsula, this would be a direct threat to Japan. It is our position to demand everything be made clear, including the history of operations of nuclear facilities," he told a House of Councillors Foreign Affairs Committee meeting.

Kakizawa indicated he does not believe the United States will drop its demand that Pyongyang give a detailed report on the history of its nuclear activities, given the growing prospect of a diplomatic solution to the crisis.

"I don't understand that the U.S. is ready to let the past pass without questions," he said.

Kakizawa was responding to surging optimism that a peaceful solution will be found to the dispute over North Korea's suspected nuclear arms program.

Former U.S. President Jimmy Carter's visit last week to Pyongyang led to an apparent breakthrough in the crisis, opening the way for high-level talks between Washington and Pyongyang.

After briefing U.S. officials over his talks last Thursday and Friday with North Korean President Kim Il-song, Carter told reporters he believes the crisis is over.

But Kakizawa echoed the official U.S. stance toward the issue, which is more cautious than Carter's upbeat tone.

Kakizawa said unless negotiations are conducted under international pressure, "There might be a possibility that North Korea will not make its stance clear."

The foreign minister said the primary arena for negotiations may shift from the United Nations to Washington-Pyongyang talks.

"The discussions at the United Nations may become low-key once the U.S. and North Korea start preparatory talks for high-level negotiations," he said.

While welcoming the latest developments, Kakizawa cautioned against unreserved optimism, pointing to the track record of negotiations with the communist country.

"The U.S. says it wants to follow up the move diplomatically. It happened once that a summit between North and South Korean leaders failed to materialize after a proposal."

Plutonium Extraction Undeniable

OW2006080494 Tokyo KYODO in English 0753 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—It cannot be denied that North Korea has extracted plutonium from the spent fuel of its nuclear reactor, Foreign Minister Koji Kakizawa said Monday.

Kakizawa's remarks appear to contradict Prime Minister Tsutomu Hata's statement Saturday that he does not think North Korea possesses nuclear weapons nor intends to build an atomic bomb.

"Based on the report of the International Atomic Energy Agency (IAEA), there is no denying that North Korea has extracted some plutonium (from its research reactor in the Yongbyon complex)," Kakizawa told the House of Councillors Foreign Affairs Committee in response to a question.

Kakizawa suggested that Hata's remarks expressed anticipation of the truth of claims by North Korean President Kim Il-song that North Korea has neither the will nor the ability to develop nuclear weapons.

Sanctions Could Affect Imports From DPRK

OW1706093394 Tokyo KYODO in English 0900 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—Proposed economic sanctions against North Korea could affect Japan's imports of men's clothing and food from that country, business sources said Friday [17 June].

Japan has expressed support in principle for Washington's draft resolution to be submitted to the UN Security Council in response to North Korea's refusal to permit unhampered inspection of its nuclear facilities.

Aoyama Trading Co., a retailer of low-priced men's clothing, imports suits, blazers and other clothing from North Korea for exclusive marketing through its outlets nationwide, taking advantage of low labor costs in that country. Japan also imports mushrooms, crabs, shellfish and other food items from North Korea.

Customs-cleared imports of men's clothing from North Korea last year totaled about 9 billion yen, one-third of total Japanese imports from that country. Mushroom imports from North Korea last year, meanwhile, totaled 2.2 billion yen.

But an official of a major Japanese trading company, who asked to remain anonymous, said the sanctions would have only minimal effects on Japan's global trade. Japan-North Korea trade last year totaled 52.1 billion yen, only 0.1 percent of total Japanese trade.

U.S. Nuclear Sub Port Calls Linked to Tension

OW2006100494 Tokyo KYODO in English 0923 GMT 20 Jun 94

[Text] Nagasaki, June 20 KYODO—The frequency of port calls in western Japan by U.S. nuclear-powered submarines has increased recently, apparently reflecting the tension over North Korea's suspected nuclear program, Maritime Self-Defense Force sources said Monday [20 June].

The vessels may have approached North Korean coasts to investigate Pyongyang's military communications and various types of radio waves, the sources said.

Nuclear-powered attack submarines of the U.S. Navy made a record 17 calls last year at White Beach port in Japan's southernmost prefecture of Okinawa, according to local authorities.

Such U.S. Submarines called at sasebo port in nagasaki prefecture, southwestern Japan, 10 times in 1993, close to a record 11 calls the previous year, the authorities said.

Already this year, sasebo port has received visits by such submarines on nine occasions, they said.

Yokosuka port in kanagawa prefecture, eastern Japan, had received the largest number of calls by such vessels in the past, but saw only 15 visits last year, about half the annual figures of 1989 and 1991, they said.

Recently, many submarines have made port calls for only an hour or so on each visit, informed sources said, apparently to hand over data and fetch equipment needed for further information gathering.

Minister Comments on DPRK Issues in Beijing

Tokyo Faces DPRK's 'Revenge'

OW1806115394 Tokyo KYODO in English 1132 GMT 18 Jun 94

[Text] Beijing, June 18 KYODO—Former Japanese Defense Minister Taku Yamasaki said Saturday that North Korea hopes to set up diplomatic ties with Japan, but will seek revenge if Tokyo supports economic sanctions against Pyongyang.

Yamasaki arrived in Beijing on Saturday after holding four days of discussions on the nuclear issue in North Korea with Kim Yong-son and Hwang Chang-yop, both secretaries of the Workers' Party, and Kim Chang-kon, vice director of the party's international department, he told reporters at Beijing airport.

Although the North Korean officials said Pyongyang hopes "to establish formal diplomatic ties with Japan as soon as possible," they warned Japan that revenge would be taken if Tokyo supports pending U.N. Security council economic sanctions, he said.

The North Korean leaders also reiterated that economic sanctions against Pyongyang would be regarded as "a declaration of war," said Yamasaki, a member of Japan's main opposition Liberal Democratic Party.

Yamasaki, a House of Representatives member who formerly headed the Defense Agency, said the North Koreans renewed a pledge to freeze their nuclear program, including abolishing their radiochemical laboratory, if their present graphite-based nuclear reactor is replaced by a light-water reactor.

North Korea is now developing a graphite reactor capable of producing weapons-grade plutonium, while a light-water reactor does not produce such plutonium.

Kim Yong-son told Yamasaki that International Atomic Energy Agency (IAEA) inspectors would not be allowed to inspect two suspected nuclear sites which North Korea has not declared to the IAEA because the "facilities are military facilities," he said.

Yamasaki said he did not meet former U.S. President Jimmy Carter during his stay in Pyongyang. Carter also left North Korea on Saturday following a four-day visit.

Returns From DPRK Visit

OW1806145894 Tokyo KYODO in English 1432 GMT 18 Jun 94

[Text] Narita, Chiba Pref., June 18 KYODO—Former defense chief Taku Yamasaki returned home Saturday [18 June)(night via Beijing from a visit to North Korea.

Yamasaki, a Liberal Democratic Party (LDP) member of the House of Representatives and former director general of the Defense Agency, had met senior officials of the (North) Korean Workers' Party to press for a diplomatic solution to the dispute over North Korea's suspected nuclear arms program.

Also returning home was Yoichi Tani, another LDP lawmaker who accompanied Yamasaki on the visit to Pyongyang.

Hata Remarks on Nuclear Capability Criticized

OW1806100894 Tokyo KYODO in English 0951 GMT 18 Jun 94

[Text] Miyazaki, June 18 KYODO—Yohei Kono, president of the largest opposition Liberal Democratic Party (LDP), on Saturday [18 June] criticized Prime Minister Tsutomu Hata's remarks that Japan has the capability to produce nuclear weapons.

"Such remarks may create misunderstanding in the international community," Kono told the party's prefectural chapter meeting in Miyazaki, southern Japan.

Hata told reporters Friday it is "certainly the case that Japan has the capability to possess nuclear weapons but has not made them."

The prime minister said Japan has abstained from doing so in line with its obligations as a nonnuclear power under the Nuclear Nonproliferation Treaty.

"How could the prime minister make such comments when every nation is making efforts to resolve (the issue of) North korea's suspected nuclear weapons development program?" Kono said.

He also said A-bomb victims and other concerned people in the only atomic-bombed nation have a severe perception about nuclear weapons.

Hata made the comment in connection with a remark he reportedly made in a House of Councillors budget committee meeting earlier Friday.

It is believed to be the first time for the Japanese Government to directly acknowledge such potential, either in the Diet or publicly.

Tokyo 'Obviously' Can Produce Nuclear Weapons

OW2006100794 Tokyo KYODO in English 0950 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Japan "obviously" has the capability to produce nuclear weapons, a Japanese Government source said Monday [20 June], endorsing a similar remark made recently by Prime Minister Tsutomu Hata amid a crisis over North Korea's alleged nuclear weapons program.

"Judging from Japan's scientific techniques and economic power, it is obvious," the source said, speaking on condition of anonymity.

The source, however, said, "intention and capability are different. Absence of intention (to produce nuclear arms) should be definite."

"There is no need for the government to deny nor emphasize (such capability)," the source added.

Hata told reporters on Friday that "it's certainly the case that Japan has the capability to possess nuclear weapons but has not made them."

The premier said Japan has abstained from holding such arms in line with its obligations as a nonnuclear power under the Nuclear Nonproliferation Treaty (NPT).

Chief Cabinet Secretary Hiroshi Kumagai has called Hata's remarks an insufficient explanation of the government's true position.

He told reporters that Japan "limits its use of nuclear energy to peaceful purposes, abstains from military utilization and does not endeavor to possess nuclear weapons technology or know-how."

Nippon Steel To Build Plant for Chinese Firm

OW1806092994 Tokyo KYODO in English 0907 GMT 18 Jun 94

[Text] Tokyo, June 18 KYODO—Nippon Steel Corp. said Saturday [18 June] it has signed a contract to build a steel and tin producing plant worth about 20 billion yen for China's leading steel manufacturing plant, the Shanghai Baoshan Iron and Steel Complex.

The world's largest steelmaker said the plant, comprising a continuous steel annealing unit and two tin plate producing lines, is scheduled to be completed by the end of 1997.

It will be the first time for the Chinese steelmaker to engage in the production of tin, company officials said.

Consumption of tin plate has been increasing rapidly in China along with rising sales of canned food and beverages, they said.

Baoshan is undergoing the third phase of expansion to boost its annual crude steel production capacity to 10 million tons by the year 2000 from the present 7.2 million tons, they said.

The officials said the Japanese firm will provide engineering and operational training for Chinese employees at the plant.

The Japanese steelmaker has been providing technical assistance for the Baoshan plant since its construction began in 1987.

Hitachi To Move TV Plant From Malaysia to Mexico

OW1906082194 Tokyo KYODO in English 0128 GMT 19 Jun 94

[Text] Tokyo, June 19 KYODO—Hitachi Ltd., Japan's largest comprehensive electric machinery manufacturer, will shift production of television chassis at its plant in Malaysia to Mexico, a leading business daily said Sunday.

According to the NIHON KEIZAI SHIMBUN, the company's production shift will be made to cope with the North American Free Trade Agreement (NAFTA), which took effect in January.

The company will begin manufacturing tv chassis this summer at a plant in Tiajuana on the U.S.-Mexico border. Hitachi will aim to produce chassis for 500,000 TV sets annually during a five-year period, the paper said.

Hitachi's move is expected to facilitate other Japanese electric makers' plans to shift their productions to Mexico to avoid disadvantageous tariffs on goods manufactured outside North America, it added.

Europe, Japan To Develop Fast Breeder Reactors

OW1706061094 Tokyo KYODO in English 0531 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—European and Japanese organizations involved in the development of fast breeder reactors signed an agreement Friday [17 June] pledging cooperation in the research and development of the plutonium-fueled reactor type, the Science and Technology Agency said.

Participating in the joint program are four Japanese organizations including the governmental Power Reactor and Nuclear Fuel Development Corp., which operates Japan's prototype fast breeder reactor "Monju" in Tsuruga, Fukui Prefecture.

France's Atomic Energy Agency and British Nuclear Fuel Ltd., both involved in the development of the European Fast Reactor (EFR), represent the European side.

Japan plans to have its first demonstration fast breeder with a planned output of 660 megawatts early next century. The EFR, designed to generate 1,500 megawatts of electric power, is still in a conceptual stage.

In the agreement both sides pledge to promote the mutual use of existing research facilities to improve knowledge about reactor coolants, fuel and safety measures.

MITI Drafts Guidelines To Replace Cocom Rules

OW2006103394 Tokyo KYODO in English 1000 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—The Ministry of International Trade and Industry (MITI) said Monday [20 June] it has crafted a provisional legal framework on export controls for strategically-sensitive products.

The move follows the international scrapping of Coordinating Committee for Multilateral Export Control (Cocom) rules in March.

The Western-bloc Cocom was set up in 1949 to prevent the transfer of military technology to communist countries but was disbanded in line with the demise of the communist bloc.

Revisions to part of the foreign exchange control ordinance and the export trade control ordinance will be in effect until Japan and the 22 other former Cocom members work out a new international framework for checking exports of strategically-sensitive products around October, MITI said.

The revisions will be approved by the cabinet Tuesday and to be enforced on July, the ministry said.

Under the provisional rules, some of the former Cocom items regarded as especially strategically sensitive, will be subject to export controls for all destinations other than the 23 countries, MITI said.

Among such items are cipher equipment and components for unmanned submarines, it said.

Other former Cocom-designated products will be subject to export controls for the "watch-list" countries of Iran, Iraq, Libya and North Korea.

Export monitoring, less strict than controls, will be applied to exports of many former Cocom items to all nations except the 23 former Cocom members and the four watch-list countries.

There are no Japanese export items that are immediately affected by the new provisional rules, a MITI official said.

Tokyo To Provide $78,000 to 3 CIS Countries

OW1706093694 Tokyo KYODO in English 0902 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—Japan will extend emergency humanitarian aid totaling 78,000 dollars worth of medical goods and equipment to three former Soviet Union republics in central Asia, the Foreign Ministry said Friday [17 June].

The aid will be extended to Turkmenistan, Kyrgyzstan and Tajikistan, the ministry said. The three nations will each receive 2 tons of medical goods and equipment, enough to cover the medical needs of 20,000 people for three months, it said.

Tokyo To Insure Trade, Investment to South Africa

OW2006031994 Tokyo KYODO in English 0305 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Japan will insure up to 500 million dollars in trade and investments to South Africa over the next two years, Trade Ministry officials said Monday [20 June].

Officials of the International Trade and Industry Ministry (MITI) said the decision, which has already been conveyed to South Africa, will be officially announced at the Group of Seven summit in Naples next month.

The insurance coverage is part of a package of Japanese measures to aid South Africa's new administration under President Nelson Mandela, officials said.

Yen-based loans will also be offered.

MITI officials said the decision is in response to a recent U.S. request that industrialized nations increase aid to Pretoria for its economic rehabilitation program.

The officials said the new insurance coverage is expected to generate more involvement by Japanese companies in South Africa's markets.

Australian Deputy Prime Minsiter Visits Tokyo

Meets Kakizawa

OW2006040294 Tokyo KYODO in English 0325 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Australian Deputy Prime Minister Brian Howe called on Japan on Monday [20 June] to participate in an international conference this year to discuss problems of cities in the Asia-Pacific region, Foreign Ministry officials said.

Howe, also minister for housing and regional development, made the call in a 20-minute meeting with Japanese Foreign Minister Koji Kakizawa.

Giving high marks to Japan's contributions in the Organization for Economic Cooperation and Development (OECD), Howe said he hopes Japan would participate in the "International Conference on Cities and New Global Economies," to be co-hosted by Australia and the OECD in Melbourne in November.

He also expressed hope that Australia and Japan could cooperate at another international conference on social development scheduled for next March in Denmark, they said.

Kakizawa told Howe he is interested in problems concerning housing and city development and said Japan would like to take part in the conference, according to the officials.

Kakizawa said he hopes Japan and Australia could continue to cooperate in the Asia-Pacific region and coordinate aid policies for the South Pacific islands.

He also voiced hope that summit meetings of the leaders of the Asia-Pacific Economic Cooperation (APEC) forum will continue to be held in the future, they said.

An informal summit of APEC leaders was held in Seattle last November and another summit is to be held this year in Indonesia.

Howe arrived in Japan last Friday to hold talks with Japanese Government officials on regional development and ask for Japan's participation in the conference.

He is to meet Prime Minister Tsutomu Hata later Monday.

Tokyo's Global Role Appreciated

OW2006091394 Tokyo KYODO in English 0902 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Australia highly appreciates the role Japan played in helping bring the Uruguay round of global trade talks to a successful conclusion, Australian Deputy Prime Minister Brian Howe said Monday [20 June].

Howe, who doubles as housing and regional development minister, made the remark in a meeting with Prime Minister Tsutomu Hata, a Foreign Ministry official said.

Howe reportedly said Australia gives high marks to Japan's painful but courageous decision last year to partially open its tightly controlled rice market to foreign competition as part of its efforts to conclude the global trade negotiations.

The Australian minister also voiced hope Japan will participate in an international conference planned for November in Melbourne, the official said.

The "international conference on cities and new global economies" will be co-hosted by the Australian Government and the Organization for Economic Cooperation and Development (OECD).

Hata briefed Howe on the major tasks his administration is currently tackling, the official said.

Howe asked Hata to convey views of the Asia-Pacific region when he attends this year's summit meeting of the Group of Seven major industrialized economies in Naples in July.

As he was leaving the premier's official residence, Howe described the meeting with Hata as "very good."

Howe arrived in Japan on Friday for a weeklong stay to hold talks with Japanese Government officials on regional development and ask for Japan's participation in the conference. He met with Foreign Minister Koji Kakizawa on Monday morning.

Panel Proposes Abolition of Oil Import Law

OW2006060494 Tokyo KYODO in English 0542 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—A Japanese Government advisory body Monday [20 June] proposed scrapping a law that limits imports of petroleum products for use by oil refiners.

In an interim report presented to the trade minister, the Petroleum Council said the provisional measures law on the importation of specific kinds of petroleum refined products has helped perpetuate substantial price gaps between the domestic and overseas purchase prices of gasoline and other petroleum products.

If the law is abolished as recommended, businesses such as trading houses will be able to import petroleum products after March 1996, when the law expires.

The report also proposed revision of petroleum storage regulations, in order that new entrants, such as trading houses, will be required to make provision for a certain level of petroleum stockpiling when launching an import business.

The report also recommended formulation of a new law designed to ensure high quality standards for imported petroleum.

At present, Japanese consumers pay roughly four times as much for gasoline as, for example, their U.S. counterparts.

The council said the latest proposal is intended to introduce a market mechanism into the Japanese petroleum industry by promoting competition with foreign products.

The step would put downward pressure on prices of petroleum products, an official at the Ministry of International Trade and Industry (MITI) told a press conference.

In order to compete with cheaper foreign products, refiners would be forced to make further cost-cutting efforts, which would in the long run reinforce their financial standing, the official said.

The proposed reform of the petroleum storage law does not mean that prospective importers must have a capability to stockpile petroleum products, he said.

If such a requirement is attached under the proposed import liberalization, it would be virtually impossible for trading houses to enter the oil import business, and the status quo would not change, the official said.

As one way of ensuring stockpiling as required under the new proposal, prospective importers could rent storage tanks from refiners, he suggested.

During Monday's Petroleum Council meeting, some council members voiced concern that scrapping the provisional petroleum import law could have negative effects on Japan's energy security, the MITI official said.

But others supported the step as "most appropriate" for deregulating Japan's petroleum market and the industry, he said.

The council report also recommended that Japan's petroleum distribution system be reformed to make it more efficient.

Specifically, the report called for more competition to be introduced in operation of gas stations by gradually abolishing a designation system for building such stations.

Expected restructuring of gas stations, most of them financially fragile, under competition policy may erode their profits further, but the interest of consumers should also be considered, the report said.

Operators of gas stations should listen to public criticism that they are providing "excessive services" at the expense of price attractiveness, it said.

The report refrained from addressing whether or not self-service gas stations should be allowed, saying the issue should be studied by the Fire Defense Agency.

Asked if MITI would accept an expected request by the refinery industry for increasing prices of kerosene, gas oil and other daily necessities, the official said the ministry has no intention to "intervene in pricing of such products during the era of free competition."

If gasoline prices fall under the proposed policy, the refinery industry is expected to call for raising prices of kerosene and gas oil, which have been set at relatively low levels by MITI to balance high gasoline prices in the wake of the oil crisis during the 1970s.

The petroleum council will create two working panels in August to study various problems involved in abolition of the petroleum law, including how to secure a stable amount of stockpiling by new entrants and to ensure high product quality, the MITI official said.

The council will work out a final report in December, the official said.

Upper House To Pass FY 1994 Budget on 23 Jun

OW1706154594 Tokyo KYODO in English 1507 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—The Diet will complete enactment of the 73.08 trillion yen fiscal 1994 budget on June 23 when the House of Councillors votes on the legislation, political sources said Friday [17 June] night.

The sources said upper house Budget Committee members of both ruling and opposition parties had reached agreement on the schedule for the budget vote.

The House of Representatives passed the budget legislation on June 8.

Hata Said To Resign if No-Confidence Vote Passes

OW1806135594 Tokyo KYODO in English 1340 GMT 18 Jun 94

[Text] Tokyo, June 18 KYODO—Prime Minister Tsutomu Hata said Saturday he will opt for stepping down if a no-confidence vote passes the Diet, ruling out a snap poll under the current election system which is to be replaced soon.

"If a no-confidence vote passes (the House of Representatives), I will have to dissolve the lower house or resign. But I have been saying the dissolution should not be done," Hata said in a speech in front of a Tokyo railway station.

"That would leave me with (the only choice of) resigning en masse. In that case, I would have to obtain the understanding of the people and of the opposition parties," he said.

The largest opposition Liberal Democratic Party (LDP) has pledged to submit a motion of no-confidence against Hata's minority cabinet after the budget bills pass the Diet, expected next week.

If the Social Democratic Party (SDP), the second largest opposition party, supports the LDP's move, it will clinch the no- confidence vote, leaving Hata with the choice of either dissolving the lower house and calling snap general elections or stepping down with his ministers.

Hata has been insisting the next general elections should be held under a new election system of single constituencies combined with proportional representation in line with the political reform bills that passed the Diet in January. A government panel is currently redrawing the electoral map for the new system.

Ironically, Saturday marked the first anniversary of the Diet's passage of a no-confidence vote against then Prime Minister Kiichi Miyazawa, which led to the demise of the LDP's 38-year rule, and paved the way for a broad coalition led by former Prime Minister Morihiro Hosokawa.

Miyazawa lost his grip on power due to voting by Hata and other LDP pro-political reform lawmakers who supported the opposition- proposed no-confidence motion.

Hata left the LDP along with Ichiro Ozawa, now a top coalition strategist, and their followers to create Shinseito [Japan Renewal Party], a key component of the coalition.

Hata, in recalling the day one year ago, said the move triggered drastic change in Japan's political landscape.

"I voted for the motion while saying in my mind 'please forgive me' because I thought I had to open up (a new era) in Japan's politics," he said. "I am recollecting the day with a heart filled with emotion."

Ozawa: No Need for Hosokawa To Testify at Diet

OW1706122894 Tokyo KYODO in English 1041 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—Ichiro Ozawa, top strategist of the coalition government, said Friday [17 June] former Prime Minister Morihiro Hosokawa does not have to testify about his suspected shady financial deals at the Diet.

Ozawa called "invalid" the House of Representatives Budget Committee's decision Thursday to summon Hosokawa next Tuesday.

Ozawa, secretary general of Shinseito, the coalition's core party led by Prime Minister Tsutomu Hata, met reporters and criticized the decision in which Budget Committee Chairman Tsuruo Yamaguchi overrode the ruling coalition's objections and declared his panel would make Hosokawa testify under oath.

The opposition parties forced a motion through the lower house budget panel to summon Hosokawa in an apparent bid to use Hosokawa's plight to their advantage and force Hata's minority government to step down.

Hosokawa's questionable deals were partly responsible for his April 8 announcement of his resignation as prime minister.

Hosokawa's former financial secretary appeared before the budget panel Wednesday to say Hosokawa has indeed paid back a loan of 100 million yen borrowed in 1982 from the scandal-tainted Sagawa Kyubin trucking firm.

The secretary, Masatoshi Miyama, denied allegations that Hosokawa may not have paid back the 100 million yen loan and that it was received as a secret political donation.

Coalition Urges Invalidation of Hosokawa Summons

OW1706154694 Tokyo KYODO in English 1441 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—The ruling parties urged House of Representatives Speaker Takako Doi on Friday [17 June] to invalidate the lower house Budget Committee's decision to summon former Prime Minister Morihiro Hosokawa for testimony on his suspected personal financial deals.

Ichiro Ozawa, the coalition's top strategist, and other ruling coalition officials handed over to Fukumaru Tani, secretary general of the lower house Secretariat, a letter of requests addressed to Doi, political sources said.

Tani was quoted as telling the officials that Doi had no other choice but to regard the committee decision on Thursday as being properly taken.

The coalition letter criticized lower house Budget Committee Chairman Tsuruo Yamaguchi for overriding coalition members' objections and declaring that Hosokawa must testify under oath next Tuesday.

The coalition officials also handed over a letter to Yamaguchi demanding a re-vote on the issue, the sources said.

The lower house Secretariat, however, has already taken procedures to summon Hosokawa, officials said.

The law for testimony of witnesses under oath in the Diet provides penalties of imprisonment up to a year or a fine up to 100,000 yen against those who refuse to testify without adequate cause.

Ozawa, secretary general of Shinseito [Japan Renewal Party], the coalition's core party led by Prime Minister Tsutomu Hata, told reporters that Hosokawa does not have to testify, calling the committee decision "invalid."

For their part, the two largest opposition parties—the Liberal Democratic Party and the Social Democratic Party—proposed the punishment of former Labor Minister Toshio Yamaguchi, an independent lower house member, saying he tried to throw a glass of water over Tsuruo Yamaguchi when the committee chairman declared that Hosokawa would be summoned.

The opposition parties forced the summoning motion through the Budget Committee in an apparent bid to use Hosokawa's case to their advantage and force Hata's minority government to step down.

Hosokawa's questionable deals were partly responsible for his resignation as premier in April.

Hosokawa's former financial secretary told the budget panel Wednesday that Hosokawa has paid back a 100 million yen 1982 loan from the scandal-tainted Sagawa Kyubin trucking firm, denying allegations that Hosokawa may not have repaid the money and that it was received as a secret political donation.

Doi Rejects Call for Questioning Hosokawa

OW2006094494 Tokyo KYODO in English 0914 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—House of Representatives Speaker Takako Doi on Monday [20 June] rejected a plea from former Prime Minister Morihiro Hosokawa to nullify a parliamentary decision to summon him as a sworn witness over his alleged financial irregularities, officials said.

In a meeting with Masuo Matsuoka, secretary general of Hosokawa's Japan New Party (JNP), Doi reportedly said that the lower house "cannot and will not annul (the decision to summon him) as it has already issued a summons."

After the meeting, Matsuoka told reporters that it is not yet decided whether Hosokawa will appear before Tuesday's budget committee session.

Hosokawa, in a letter to the speaker, had asked the lower house to review the parliamentary procedures that led to his summoning.

At a session of the budget committee on Thursday, its chairman, Tsuruo Yamaguchi, declared that his panel unanimously approved a proposal to summon the former prime minister.

Some parties in the ruling coalition of Prime Minister Tsutomu Hata lodged a protest against the procedure, saying the committee's decision contravened a longtime parliamentary practice of authorizing such summons only when all parties approved of such a proposal.

Budget committee members from the JNP and two other coalition parties, Komeito [Clean Government Party] and Shinseito [Japan Renewal Party], declared at Thursday's session their opposition to the proposal to summon Hosokawa.

Ozawa on Possible Coalition, LDP Alliance

OW2006113694 Tokyo KYODO in English 1117 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Ichiro Ozawa, the ruling coalition's top strategist, suggested Monday [20 June] that the minority government may seek an alliance with the largest opposition Liberal Democratic Party (LDP).

Ozawa, secretary general of Shinseito, the coalition government's core party led by Prime Minister Tsutomu Hata, said the coalition continues to take priority in urging the second largest opposition Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ] to return to the ruling camp.

"We do not reject holding discussions simultaneously with other parties, because we do not have much time," Ozawa said at a news conference.

SDP Chairman Tomiichi Murayama said Monday his party will seek a one-shot alliance with the LDP to call for a snap poll if realliance talks with the ruling coalition fail.

The LDP has reportedly decided to propose a no-confidence motion against Hata as soon as the 1994 budget passes, saying the minority government does not represent the will of the people.

The 73.08 trillion yen budget was approved by the House of Representatives on June 8 and is expected to clear the House of Councillors during the current session ending June 29.

If Hata fails to survive a no-confidence vote, he either has to resign en masse with his cabinet or dissolve the lower house.

The SDP seceded from the coalition government in April after other ruling parties formed the parliamentary group "kaishin" (innovation) without consulting with the SDP.

Takemura Says Hata's Coalition Lacks Legitimacy

OW1706061394 Tokyo KYODO in English 0537 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—Former Chief Cabinet Secretary Masayoshi Takemura said Friday [17 June] Prime Minister Tsutomu Hata's administration lacks legitimacy because it is a minority force in the Diet.

Takemura, the leader of new party Sakigake (Harbinger), made the remark in a meeting with a policy study group within the main opposition Liberal Democratic Party (LDP), an official said.

"The Group New Century," headed by former Chief Cabinet Secretary Koichi Kato, conferred with Takemura and Yuichi Takami, a member of the tiny parliamentary group Democratic Wind, as part of a flurry of meetings among various political forces.

Takemura also remarked that the minority government cannot deal squarely with a host of domestic and international challenges, the official said.

In April, Hata was forced to form Japan's first minority government since 1955 as a result of the Social Democratic Party's departure from the coalition. Sakigake, an LDP splinter party, also opted to leave the ruling union.

Takemura, who served as chief cabinet secretary in the last government of Prime Minister Morihiro Hosokawa, reportedly welcomed the ruling coalition's move to seek a tie-up with part of the LDP because such an attempt would have ended up in failure.

He also said the move to call together conservative forces is favorable because it will quicken the pace of an expected reconfiguration of political parties.

Kato said his group wants to continue dialogue with Sakigake because the two forces share views on many issues, the official said.

Takemura on Early Realignment of Parties

OW2006060194 Tokyo KYODO in English 0527 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—Former Chief Cabinet Secretary Masayoshi Takemura on Monday [20 June] expressed hope that a reconfiguration of political parties will be achieved, as quickly as possible, to put an end to the current political disarray in Japan.

"I don't think it is good for the political community to continue shaking," Takemura said in a lecture hosted by KYODO NEWS SERVICE. "I want to find a specific course for political realignment at an early date."

Takemura, who heads new party Sakigake [Harbinger], also voiced his hope that the primary opposition Liberal Democratic Party (LDP) will split, in response to its internal differences over key policies and political beliefs, and merge with other political parties.

Saying the once-dominant LDP's historical role is over, Takemura predicted the anticipated political realignment will engulf the LDP and the Social Democratic Party (SDP) [Social Democratic Party of Japan (SDPJ]), the second largest opposition force.

The leader of the 15-member new party Sakigake described the rule by the current minority coalition government of Prime Minister Tsutomu Hata as an "abnormal situation" and spoke of the need to form a stable majority administration in one way or another.

The SDP, the largest contingent of the government of former Prime Minister Morihiro Hosokawa, quit the ruling coalition in April, leaving Hata overseeing Japan's first minority government since 1955.

New party Sakigake, an LDP breakaway and also a member of the previous administration, fled the governing alliance because of differences with its coalition partners over political strategies.

Hata Favors Summit With SDPJ's Murayama

OW1706035694 Tokyo KYODO in English 0249 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—The leader of Japan's largest labor organization expressed hope Friday [17 June] for an early return of the Social Democratic Party (SDP) [of Japan, SDPJ] to power and the formation of a stable government.

Akira Yamagishi, president of the eight million-strong Japanese Trade Union Confederation (Rengo), voiced the desire in a meeting with Prime Minister Tsutomu Hata.

"It is extremely difficult for the current administration, a weak, minority government, to push for political, administrative and economic reforms," Yamagishi told reporters following the meeting.

It was the first meeting between leaders of Rengo and the government since Hata took office in April.

The labor leader also urged Hata to take the lead in persuading the second largest opposition SDP, a former coalition party, to return to the fold and in strengthening the power base of his government, Yamagishi added.

Rengo, founded in November 1989, supports the SDP and the Democratic Socialist Party, a middle-of-the-road party in the Hata administration.

Hata, who heads Japan's first minority government since 1955, was quoted as replying he also longs for the SDP's early return to power.

The prime minister reportedly agreed on Yamagishi's proposal for holding a summit between Hata and SDP Chairman Tomiichi Murayama to discuss the SDP's possible re-entry to the coalition government.

Yamagishi also offered Hata a set of recommendations on major policy issues, including economic management, tax system reform and pension system reform.

Hata and Yamagishi agreed on the need to hold a meeting between the government and Rengo to build consensus on key policy issues.

Nakasone on Conservative, Centrist Parties Ties

OW1706073294 Tokyo KYODO in English 0333 GMT 17 Jun 94

[Text] Washington, June 17 Kyodo— Former Japanese Prime Minister Yasuhiro Nakasone on Thursday advocated a wide alliance among conservative, liberal and centrist forces to create a stable ruling coalition.

Nakasone, who is on a tour of the United States, told reporters that such an alliance would best suit the current political situation.

"If the Social Democratic Party (SDP) is like that, policy (alliance) among new conservatives, liberals, and, if necessary, centrist forces, may be appropriate," he said, referring to the second-largest opposition SDP's departure from the ruling coalition in April that left the first minority government in decades.

His remarks were viewed by observers as an indication of acceptance of a coalition with centrist forces such as Komeito and the Democratic Socialist Party (DSP)—and even with some SDP right-wingers.

Nakasone, a kingpin of the largest opposition Liberal Democratic Party (LDP), is known as a staunch conservative and has been leery of leftist socialists.

It is well known that Nakasone is seeking a coalition between the LDP and its splinter party Shinseito [Japan Renewal Party], headed by Prime Minister Tsutomu Hata, as envisaged by Shinseito strategist Ichiro Ozawa and the LDP's Michio Watanabe, a former foreign minister.

But his latest remarks appear to show he is tilting toward a coalition which includes some liberal and centrist forces for at least the current period of transition, according to observers.

Nakasone also said that political realignment will progress in the coming months in line with the political stance of the parties.

SDPJ To Present Coalition Plan to Ruling Camp, LDP

OW1706053694 Tokyo KYODO in English 0515 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—A senior Social Democratic Party (SDP) [of Japan, SDPJ] official said on Friday [17 June] the party will present an alliance-seeking initiative to both the ruling coalition and the Liberal Democratic Party (LDP) for negotiations to create a new governing coalition.

Koken Nosaka, who heads the Diet Administration Committee of the second-largest opposition party, told a press conference that the party will compile an alliance proposal by next Wednesday to present to the ruling coalition and the largest opposition party.

"We want to play a leading role in creating a stable government," Nosaka said.

Nosaka was skeptical about the possibility of Prime Minister Tsutomu Hata heading the new coalition government after he resigns, as required by SDP's prerequisite for alliance talks.

"It is unthinkable" that the premier who resigns will immediately assume the same post again, he said.

Meanwhile, SDP Chairman Tomiichi Murayama made a renewed call for Hata, who heads the first minority government in four decades, to step down to set the stage for coalition talks with the SDP.

At a meeting with SDP-supporting labor unions, Murayama also said the SDP will submit a motion of no-confidence against the Hata cabinet if he takes a stance that it cannot agree with.

The SDP withdrew from the coalition in late April after the abrupt formation of a parliamentary group excluding the party.

LDP President Yohei Kono made clear the party still plans to seek a no-confidence vote against Hata.

Kono said at a meeting of party executives that the Hata administration has not obtained a sufficient mandate from the people and that it has also lost international credibility over the failure in the Japan-U.S. trade talks.

Kono also pointed to Hata's lukewarm posture toward the lingering corruption charges against former Prime Minister Morihiro Hosokawa as a reason to seek a no-confidence vote.

Management and Coordination Agency Director General Koshiro Ishada, who heads Komeito, a major coalition component, said the SDP's move Thursday to join forces with the LDP at the House of Representatives Budget Committee to decide to summon Hosokawa to testify before the Diet over the financial dealings is bound to have some impact on the political situation.

But Health and Welfare Minister Keigo Ouchi, former head of the Democratic Socialist Party, another coalition member, said so far the SDP's alliance with the LDP is limited to the Hosokawa issue, and said it is not yet clear whether or not the SDP will fully cooperate with the LDP in seeking a no-confidence vote.

Murayama on Possible Alliance With LDP

OW2006075494 Tokyo KYODO in English 0744 GMT 20 Jun 94

[Text] Tokyo, June 20 KYODO—The head of the Social Democratic Party (SDP) [of Japan, SDPJ] said Monday [20 June] the second largest opposition party will join forces with the main opposition Liberal Democratic Party (LDP) to form a stopgap government in the event the SDP's coalition talks with the present minority government break down.

Tomiichi Murayama made the comment at a meeting of former SDP lawmakers at a time when the fragile coalition led by Prime Minister Tsutomu Hata is preparing to hold talks with the SDP to lure it back into the fold.

The SDP chairman told the meeting the proposed alliance with the LDP would be temporary, limited to governing until House of Representatives general elections which may follow a threatened no-confidence motion by the LDP against the Hata government. The SDP has indicated it may support a no-confidence vote.

The SDP left the governing alliance in April after the establishment of a new parliamentary group by some coalition parties, excluding the SDP.

DSP Flexible in Talks on Party Alignment

OW1806130594 Tokyo KYODO in English 1255 GMT 18 Jun 94

[Text] Hiroshima, June 18 KYODO—The head of the Democratic Socialist Party (DSP), a ruling coalition component, said Saturday [18 June] that the coalition should be flexible in its realignment talks with former partners.

DSP Chairman Takashi Yonezawa told a news conference that an uncompromising stance by the coalition would lead to the collapse of talks with the Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ] and Sakigake for their return to the ruling camp.

"If we build up high hurdles at the outset, the talks would lead only to breaking off," he said.

Prime Minister Tsutomu Hata's minority coalition will open talks with the second largest opposition SDP next week to lure it back to the coalition and restore a stable government amid threats of a no- confidence motion by the main opposition Liberal Democratic Party (LDP).

The SDP in April walked out of the broad coalition that supported the administration of former Prime Minister

Morihiro Hosokawa over a move by some coalition partners to create a new Diet bloc without the socialists.

Yonezawa said the ruling coalition might make some concessions on the thorny issue of a consumption tax hike.

"We have left the issue undecided for meeting halfway with the SDP in the planned talks," he said.

The Hata administration wants to raise the consumption tax from the current 3 percent to secure fiscal revenues to finance continued tax cuts and also to reform the taxation structure in the face of a rapidly aging society.

But the SDP, which opposed the introduction of the value-added tax, is still dead set against any steep raise.

On the issue of North Korea's suspected nuclear arms program, Yonezawa said the easing of tension following former U.S. President Jimmy Carter's visit to Pyongyang may be of great help.

"The fact that (the atmosphere) is becoming considerably softer due to former President Carter's visit is a favorable factor," he said.

The SDP, which has a long tradition of friendly ties with Pyongyang, is averse to Japan taking a hard line against North Korea over the issue.

Yonezawa also said the Hata cabinet should resign rather than dissolve the House of Representatives if a no-confidence vote against him passes the diet.

"We would like to avoid elections under the current multiseat constituency system. We should seek a way toward a stable government through the cabinet's resignation en masse," he said.

The current election system is to be replaced with a new system of combined single-seat and proportional representation after a government committee finishes redrawing an electoral map in line with the political reform bills that passed the Diet in January.

The LDP has vowed to submit a motion of no confidence once the budget bills pass the diet, probably next week.

If the SDP supports the move, the no-confidence motion will be certain to clear the lower house, leaving Hata with a stark choice of either dissolving the lower house to call snap polls or stepping down with his ministers.

Yonezawa said if the policy-making boards of the LDP and SDP decide to proceed with a no-confidence vote, it will create a great "reaction" within the two parties, referring to possible defection moves.

Chief Cabinet Secretary Urges Fundraising Curbs

OW1706144194 Tokyo KYODO in English 1413 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—Chief Cabinet Secretary Hiroshi Kumagai called on members of prime minister Tsutomu Hata's cabinet on Friday [17 June] to limit their fundraising activities, officials said.

The request came as Home Affairs Minister Hajime Ishii, of the key coalition party Shinseito, was preparing to hold a seminar on Sunday in Kobe for a fee of 20,000 yen per participant.

Ishii insisted that he will go ahead with the seminar, arguing, "It's not a fundraising party but a study session."

Organizers expect about 1,000 people to attend the seminar, at which Construction Minister Koji Morimoto and Economic Planning Agency chief Toshio Terasawa will deliver speeches.

Kumagai, also a member of Shinseito, has repeatedly urged Ishii to drop the plan. Ishii says the seminar was planned before he became home affairs minister in late April.

Hata Vows Leadership in Deregulation Steps

OW1706080294 Tokyo KYODO in English 0401 GMT 17 Jun 94

[Text] Tokyo, June 17 Kyodo—Prime Minister Tsutomu Hata pledged Friday [17 June] to take the leading role in drawing up full-scale, trade-related, deregulatory measures in line with the recent proposal by a government panel, an official at the Economic Planning Agency (EPA) said.

A set of market-opening measures recommended by the Office of Trade and Investmeent Ombudsman (OTO), an organ of the EPA, will form a major pillar of the government's comprehensive deregulation package to be released at the end of June, Hata was quoted as saying.

Hata expressed his resolve for deregulation during a meeting with members of the Market Access Ombudsman Council, a unit of the OTO, the EPA official told a press conference.

On May 13, the OTO presented a set of recommendations to Hata calling for the relaxing of excessive government control in 21 areas.

Yoshio Okawara, Foreign Ministry adviser, who chairs the ombudsman council, said the OTO is designed to detect potential trade complaints and cope with them in a manner that would not cause friction with other countries, according to the EPA official.

By fully carrying out the recommended measures, Japan can demonstrate to the rest of the world that the country is serious about promoting deregulation, Okawara was quoted as saying.

The 21 irksome rules cited by the OTO range from extremely difficult driving license tests for large motorcycles and complex auto inspection and safety standards to strict labeling rules for textile products, excessive control on dairy, health and medical products, and rules on wheelchairs.

The OTO will shortly hold a meeting so that steps to address these complaints will be worked out by the end of this month, Hata said.

Okawara asked the government to reinforce the function of the OTO to help it cope with various complaints more effectively, including expanded manpower at its secretariat, the EPA official said.

The OTO was upgraded to a ministerial level under the previous government of Prime Minister Morihiro Hosokawa, which made deregulation a major policy goal.

Kato Says Rice Price Council To Meet Soon

OW1706074394 Tokyo KYODO in English 0340 GMT 17 Jun 94

[Text] Tokyo, June 17 Kyodo—The Rice Price Council is expected to convene soon to decide the price for the government purchase of this year's rice harvest, farm minister Mutsuki Kato said Friday [17 June].

Kato, minister of agriculture, forestry and fisheries, told a regular press conference after a cabinet meeting the panel is likely to meet before the summit of the Group of Seven (G-7) industrial nations in Naples July 8-10.

He said the schedule for the meeting of the council, an advisory panel to the head of the Food Agency, should be finalized early next week.

The meeting to decide the rice price is widely expected to be held June 30-July 1 unless affected by political developments after the fiscal 1994 budget passes the Diet.

The method of computing the price is expected to be the same as last year, by calculating figures taken from selected areas around the nation.

Kato also said a third round of talks among cabinet ministers to discuss farm policy following the agreement on the Uruguay Round of multilateral trade talks will be held next week.

Details of domestic farm policy in line with the agreement and budgetary problems are likely to be the major topics to be scrutinized. The last such meeting was held on April 5.

Farm Ministry To Review Rice Acreage Policy

OW1906073294 Tokyo KYODO in English 0724 GMT 19 Jun 94

[Text] Tokyo, June 19 KYODO—The Farm Ministry plans to review its "gentan" policy of curtailing rice fields, which forces farmers to cut their rice acreage every year in line with the government's annual plan for rice supplies, government sources said Sunday [19 June].

Under the current system introduced in 1971 to cope with a glut of domestic rice supplies, every rice grower is forced to reduce rice paddies by the same percentage to curb the total volume of domestically produced rice.

The policy, however, has been criticized for discouraging rice farmers who want to enhance production efficiency by expanding their rice fields to compete with less expensive foreign rice.

Moreover, due to an unusually cool summer last year, the country suffered its worst rice shortage in the postwar period, prompting the government to urgently import foreign rice and setting off a panic among consumers searching for domestic grains.

Under the new policy being considered by the Ministry of Agriculture, Forestry and Fisheries, the government would set a target of reducing total rice acreage in each prefecture, with flexible consideration of each farmer's desire to produce rice, the sources said.

The government would also provide subsidies to rice growers meeting the annual government-set target for curtailing rice paddies.

The ministry will work out the details of the new system after the Agricultural Administration Council, an advisory body to the prime minister, submits an interim report on the future of Japanese agriculture in July, according to the sources.

Rice Retailers Quit Business after Spring Panic

OW1806015894 Tokyo KYODO in English 0119 GMT 18 Jun 94

[Text] Tokyo, June 18 KYODO—A growing number of rice retailers have decided to give up their business in the wake of the rice panic this spring, industry sources said Saturday [18 June].

In the panic sparked by the shortage of domestic rice on shelves, many rice sellers were harassed by angry consumers and robbed of motivation to continue selling rice, the sources said.

Of about 8,000 rice retailers in Tokyo, 78 failed to renew their licenses for rice sales in June, a procedure required every three years, according to the Tokyo metropolitan government.

The number was up 34 percent from three years ago, when 58 sellers abandoned the business.

But the sources said some rice retailers who did extend their licenses have handed them over to others and virtually quit.

According to an association of rice retailers in Tokyo, many of its members were discouraged by commotion during the panicky rice hoarding earlier this year, which resulted from a scarcity of domestically grown rice on the market after last year's devastating harvests.

When stocks were low and grains that were on the shelves were priced double and even triple normal costs, many consumers flooded rice retailers and demanded they sell rice they were hiding in stock, the association reported.

Government Blames 'Land Myth' for Inflation

OW1706041094 Tokyo KYODO in English 0249 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—A government report released Friday [17 June] says the so-called "land myth," a widespread faith that land prices never fail to rise in the long run, provided a sizable thrust to the speculation boom in the mid 1980s that resulted in steep land price inflation.

The annual land white paper for 1993 argues that the myth added much fuel to the speculative demand for land at that time.

Land speculation first hit the market amid growing expectations of higher prices stemming from various economic factors, such as rising corporate earnings, lower interest rates and surging demand for office space, the report said.

In its first analysis of the speculation bubbles, the report says land prices eventually took a downturn mainly due to government emergency measures to cap them, including monetary and taxation curbs on speculation.

The experiences over the speculation frenzy and its demise, as well as the following recession, have changed the people's mind-set concerning land and deflated perennial expectations of ever-higher land prices.

But the boom leaves some unwelcome remnants, the report says. Land price inflation, for instance, has made house ownership in large cities out of reach for average workers, thereby dampening their labor incentives.

Moreover, the sharp downswing after the burst of the bubbles leaves many companies that climbed on the speculation bandwagon with devastating balance sheets.

In 1993, land prices fell for the third consecutive year, albeit at a slower rate than the previous two years, in particular in commercial districts of major cities.

The average price of a new condominium in the Tokyo Metropolitan Area that was put on the market in 1993 was 49 million yen for a 70-square-meter unit, still 5.8 times the average annual income of workers in the region, the report says.

Mongolia

MONTSAME Carries 18 Jun Press Review

BK1906120994 Ulaanbaatar MONTSAME in English 1054 GMT 18 Jun 94

[Text] Ulaanbaatar, June 18 (OANA-MONTSAME)—The newspaper "ARDIYN ERH" informs that the President of Mongolia P. Ochirbat has congratulated the President of Portugal Mario Soares on the occasion of the national holiday of Portugal sending the latter a telegram and that at the spring session of the Mongolian parliament it is keeping on discussing the draft law on mineral resources of Mongolia.

The newspaper publishes the information concerning the sitting of the constitutional court of Mongolia, which considered the claim by citizens S. Batdorj and T. Oldzboi accusing members of the Great State Hural S. Dzorig and T. Elbdzgborj of violating a number of provisions of the Constitution and drew proper decision. The constitutional court decided that member of the parliament S. Dzorig has violated the provisions of the Constitution. His being guilty was corroborated by the facts having been established clearly, it said.

The constitutional court considered there are no reasons to consider also the issue referring to T. Elbegdorj because he was relieved of the duties of a member of the parliament according to his own request.

A year has passed since the inauguration ceremony of the first president of Mongolia having been elected nationwide took place. In this connection President P. Ochirbat was invited as a honorary guest by the newspaper "ARDIYN ERH" being the central official press of Mongolia. "It is man that must be in the centre of the state policy of Mongolia" this was a title of the interview granted by him to the newspaper the first part of which was published in today's issue of the newspaper.

"In my opinion the major factor of the successful development of Mongolia is a well-educated and informed man. Therefore in the centre of the state policy should be man. This is one of major priorities of my policy as head of state, notes P. Ochirbat. We are concentrating our efforts and attention on that how this task should be accomplished. For instance, there have been worked out the main lines and conceptions of state policy concerning demographical, children, youth and women's issues as well as the matters referring to veterans and invalids.

On the other hand, the president went on to say, if the centre of the state policy is being man then the government and state should take care of his living and working conditions, provision him with proper nourishment, housing , health care and related services. In this sense we worked out a comprehensive projects of conceptions of state policy on food issues, food programme and the law on food and submitted them for consideration to the Mongolian Government and parliament, he pointed out.

The newspaper "DZASGIYN GADZRYN MEUEE" informs that the prime Minister of Mongolia P. Jasray has received the ministers of food and agriculture, that of trade and industry, finances, of full power, geology and mining industry, the head of the national development department and of the administration of the government and charged them with assignments concerning the solution of issues having been put forth by the heads of administration of the Dundgobi and Omnogobi Aymags and a number of somons of the two aymags relating to the government.

The newspaper publishes the directive by the prime minister of Mongolia on setting up a Mongolian national committee on celebrating the 50th anniversary of the United Nations organization. As was decided, the national committee should be functioning under the guidance of the minister of external relations of Mongolia T. Gombosuren.

The newspaper carries an interview of its correspondent with the [words indistinct] administration of the Government of Mongolia J. Sereeter taking part recently in the seminar held in Germany under the schemes of the German Foundation for International Development. As was noted by J. Sereeter, the Foundation for International Cooperation is interested in the development of cooperation with Mongolia in many spheres.

The newspaper also publishes an interview with the head of the society "Mongol Bichig" D. Dorligjab. In his interview he paid a lot of attention to the issues of resurrection of the Mongolian national script and its applying in keeping the state official business documentaries instead of that based on Cyrillic being currently used.

The newspaper "DZASGIYN GADZRYN MEUEE" under the permanent heading "The World News" carries a number of information concerning the international affairs. The newspaper "MONGOLYN HODUU" gets its readers acquainted with the news of the Mongolian countryside. The newspaper gives some materials referring to the day-to-day activities and life of the herdsmen and farmers. The newspaper also publishes an article touching upon the issues concerning the growth in the number of the camel. According to the author of the article D. Tsebeenjab dealing with the camel study the annual reduction in the number of this animal is dictated by the reduction in the growth rate of the population. During 1991-1993 some 44 thousand head of camels were raised which is by 18 thousand less than three years before 1990 the author notes.

North Korea

Radio Reports Carter's News Conference in Panmunjom

SK1806132294 Pyongyang Korean Central Broadcasting Network in Korean 1216 GMT 18 Jun 94

[Text] Former U.S. President Jimmy Carter has held a news conference with domestic and foreign reporters in Panmunjom after visiting our country.

In the news conference he talked about the sincere effort that will be made [songuiinun noryokul kiuryo nagalte taehaeso marhaessupnida] for the future harmony [hwamok] between the DPRK and the United States, thus expressing his deep gratitude to President Kim Il-song for his hospitality given to him, as well as to his entourage. He said that his talks with President Kim Il-song had proceeded in an openhearted [hosimtanhoe] atmosphere.

Commenting on his impressions of a visit to our country, he said that he was very greatly moved by the art performance by students and children. Also, he said that the art performance that he watched was an outstanding performance that can never be forgotten in his whole life, and that he hopes that the whole world will be able to watch the Korean children's performance.

Regarding the nuclear issue and DPRK-U.S. relations, he said that direct talks between the DPRK and the United States will be resumed in the future, and that North Korea's graphite-moderated reactor will be converted into a light-water reactor. Also, he expressed the conviction that all problems regarding the nuclear issue would be solved smoothly.

Regarding the reunification of Korea, he stressed that this issue is the issue that should be resolved by the Korean people in the North and South themselves.

Regarding the issue of sanctions against our country, he said that the issue to take sanction steps is a very serious mistake [chejae chochilul chwihalttae taehan munjenun maeu simgakhan oryurago hamyonso], and that the sanctions will not have an effective influence.

He said he expects that the United States will no longer pursue the sanctions against Korea.

KCNA Reports Carter News Conference

OW1806161794 Pyongyang KCNA in English 1736 GMT 18 Jun 94

[Text] Pyongyang, June 18 (KCNA)—Former U.S. President Jimmy Carter called a press conference at the Thongil House [as received] in the north side portion of Panmunjom today before leaving the DPRK.

He arrived in Pyongyang on June 15.

He told local and foreign reporters that his trip to the Democratic People's Republic of Korea was positive. He said, "All my discussions with President Kim Il-song were very open, frank and without restraint and I think the result is positive."

He added that direct talks between the DPRK and the United States can be resumed.

He said North Korea's graphite moderated reactor system will be replaced by a light water reactor system.

"Overall questions about nuclear weapons can be resolved," he said.

He said he thinks "sanctions" are definitely a serious mistake. "If the things continue to go well there is no need to consider sanctions any more."

"I have never thought sanctions are effective or necessary," he said. "Hope now my government will agree that the crisis is over and the sanctions are no more necessary for consideration." [sentence as received]

Giving his impressions of Korea, he said the most exciting impression was made when he witnessed the performance of children in Pyongyang yesterday. "This was the most remarkable performance I have seen in my life," he added.

"Hope the whole world will see the children of North Korea as we appreciated yesterday," he said. [sentence as received]

He said he will strive with sincerity for harmony between the two countries.

Former U.S. President Carter Ends Visit

Visits Schools, Theaters

SK1806001294 Pyongyang KCNA in English 1517 GMT 17 Jun 94

[Text] Pyongyang, June 17 (KCNA)—Former U.S. President Jimmy Carter and his entourage today paid a visit to the Mangyongdae School Children's Palace.

Accompanying the guests were Vice-premier and Foreign Minister Kim Yong-nam and Vice Foreign Minister Song Ho-kyong and vice-chairman of the C.C. [Central Committee], League of Socialist Working Youth of Korea Ham Un-kon.

School children warmly welcomed the guests with applause.

The guests saw round the indoor swimming pool, the accordion room and the embroidery room, hearing an explanation about the construction of the palace as a wonderful extramural educational base for school children.

At the embroidery room Jimmy Carter and Madame expressed adoration at the wisdom and talent of school children, while seeing the extramural activities with keen interest.

Embroidery room members presented a fancywork to the guests as a souvenir. Jimmy Carter saw the both-sided embroidery "Cimjongilia" and said he would keep it as an heirloom.

Then the guests appreciated a performance of the art circle members at the palace theatre.

At the end of the performance Carter said no children in any other country can match the Korean children and that this is the first time he saw such an admirable performance of children although he had toured many countries in the world.

Before leaving the palace, he said he would surely convey the friendly feelings of the Korean children to the American children.

Jimmy Carter and his entourage today visited the Mansudae Art Studio, combined art creation base, and the Pyongyang metro.

Earlier, on the 16th, they visited Pyongyang department store No. 1 and the Ognyu Restaurant and made a round of Pyongyang streets.

KCNA Reports Carter Departs DPRK

SK1806043294 Pyongyang KCNA in English 0426 GMT 18 Jun 94

[Text] Pyongyang, June 18 (KCNA)—Former U.S. President Jimmy Carter and his entourage left here today after paying a visit to the DPRK.

At Panmunjom, Vice-Minister of Foreign Affairs Song Ho-kyong saw them off.

Jimmy Carter was interviewed by local and foreign reporters before passing through Panmunjom.

Daily: U.S. Uses NPT To Dominate Other Nations

SK1806044694 Pyongyang KCNA in English 0440 GMT 18 Jun 94

["Sinister Intention"—KCNA headline]

[Text] Pyongyang, June 18 (KCNA)—The U.S. Defense Department recently worked out "a report on the program of non-proliferation activities" envisaging "punishment including sanctions" against the "violators of non-proliferation" for the prevention of the proliferation of nuclear and other mass destruction weapons.

Meanwhile, the U.S. House of Representatives voted down the bill of a resolution calling for an end to assistance to Japan in its nuclear development.

NODONG SINMUN today says this is an unreasonable act to stifle anti-imperialist independent countries including the Democratic People's Republic of Korea under the unjustifiable pretext of "non-proliferation" of nuclear and other mass destruction weapons, while patronizing the nuclear arms development in such pro-U.S. countries as Japan and Israel.

The analyst further says:

The United States is trying to stifle with a strong arm the DPRK that offers no problem, while keeping mum about Japan where nuclear armament is being accelerated, creating realistic danger. This is the culmination of the application of a double standard which fully reveals the shamelessness and duplicity of the United States.

The U.S. military threat and blackmail under the pretext of "non-proliferation" of nuclear and other mass destruction weapons are now directed against the DPRK. But they may reach all the other anti-imperialist independent nations tomorrow.

The United States intends to lord it over in the world by dominating developing countries by all means including threat with nuclear weapons.

The Nuclear Non-Proliferation Treaty [NPT] can never be a means of the U.S. domination and interference. Intolerable is the U.S. scheme to continue monopolizing nuclear weapons by abusing the NPT and dominate other nations.

WPK Secretary Cited on 'Challenge' to U.S.

OW1706151194 Tokyo KYODO in English 1456 GMT 17 Jun 94

[Text] Tokyo, June 17 KYODO—A senior North Korean official told a visiting Japanese group in Pyongyang on Friday it is "impossible" for North Korea to challenge the U.S. nuclear arsenal, officials of the Liberal Democratic Party (LDP) said. The LDP officials said Hwang Chang-yop, a secretary of the (North) Korean Workers' Party [WPK], made the observation in a meeting with an LDP mission led by former Defense Agency chief Taku Yamasaki.

Hwang also reportedly told the LDP group that it is "meaningless" for his country to have nuclear weapons. He proposed an end to power diplomacy and warned that North Korea will retaliate if economic sanctions were imposed on Pyongyang, according to the LDP officials who talked with the Yamasaki group after the meeting in the North Korean capital.

Yamasaki explained Japan's commitment to the nuclear Nonproliferation Treaty and emphasized that a nuclear-free Korean peninsula is essential for peace and stability in North Asia, the LDP officials in Tokyo said.

KCNA Reports 17 Jun U.S. Air 'War Exercise'

SK1906105494 Pyongyang KCNA in English 1025 GMT 19 Jun 94

[Text] Pyongyang, June 19 (KCNA)—The U.S. imperialists Friday staged a frantic war exercise against the North by massively hurling nuclear-capable F-15 fighter-bombers, FA-18 pursuit-assault planes, AV-8 VTOL [Vertical Take-Off and Landing] assault planes, AE-6 electronic jamming planes, KC-135 refueling tankers based in the Pacific and fighter planes of the U.S. Air Force present in South Korea into the sky above Tokjok Islet, Pyongchang, Yongwol, Tongduchon and Kapyong of South Korea, according to military sources.

On the same day, an overseas-based RC-135 strategic reconnaissance plane carried out photograph shooting and electronic reconnaissance on the whole areas of the northern half of Korea in the air above Yangyang, Yangpyong and Tokjok Islet of South Korea.

Commentary Denounces Buildup of U.S. Forces

SK2006044594 Pyongyang Korean Central Broadcasting Network in Korean 1225 GMT 18 Jun 94

[Commentary by Yun Pyong-son: "Strong-Arm Measures Will Not Work"]

[Text] The U.S. imperialists have been bringing the situation on the Korean peninsula to a more and more dangerous phase of war under the pretext of our so-called nuclear issue. According to reports, on 17 June the U.S. Senate babbled about someone else's southward invasion and adopted a resolution urging President Clinton to beef up immediately the U.S. Forces occupying South Korea. This resolution, which passed a full session of the U.S. Senate, calls for, among other things, sending additional U.S. troops and fighter planes to South Korea and deploying an aircraft carrier-based combat unit in this region. This is an attempt to deploy massive aggression forces on the Korean peninsula and clearly discloses the U.S. imperialists' brigandish [kangdojok], aggressive nature.

They cited someone else's southward invasion and nuclear issue as a pretext for beefing up the forces. However, this is sophism which cannot convince anyone.

It is a well-known fact that the North's nuclear issue, a byproduct of the imperialists' antisocialist, anti-Republic maneuvers, is a falsehood that was fabricated to crush [apsal] our Republic. The same is true with threats of southward invasion.

Southward invasion, the nuclear issue, and other things that the U.S. imperialists are talking about are mere excuses to justify their military buildup and aggression maneuvers.

Under such excuses, the U.S. imperialists have already brought numerous aggression troops into South Korea and plan to move aircraft carriers Independence and Constellation, which had been mobilized in the Rimpac-94 joint military exercise, to the waters close to the Korean peninsula to stand by right after the exercise is over. They also plan to deploy aircraft carrier Kitty Hawk to the waters close to our country. A foreign news agency has disclosed that the scheduled concentration of several aircraft carriers in one region was part of the U.S.

plan to beef up naval forces in Northeast Asia. Nevertheless, without being satisfied with this, they plan to deploy more troops and fighter planes and an aircraft carrier-based combat unit in South Korea and in its neighborhood. This proves that they plan to deliberately further aggravate the situation on the Korean peninsula to provoke a second Korea war against us at all costs.

If this had not been true, why should the United States have continuously deployed aggression forces in South Korea and in its neighborhood and inspected bases of the Japanese maritime and air Self-Defense Forces under the pretext of our so-called nuclear issue, which could not be used as an excuse?

Even though the cold war is said to be over internationally, the cold war has continued on the Korean peninsula because of the U.S. imperialists.

The U.S. imperialists try to launch a surprise preemptive strike at our Republic after deploying massive aggression forces under the pretext of our nuclear issue. However, military adventures, threats, and blackmailing can in no way frighten anyone else or resolve the issue.

The United States gave rise to the nuclear issue on the Korean peninsula, which originated from the U.S. imperialists' hostile policy toward Korea. Therefore, the nuclear issue on the Korean peninsula must be resolved through dialogue and negotiations; it can never be resolved through forcible pressures, threats, or blackmailing against the other side.

This is why people from all walks of life in the world denounce the U.S. imperialists for pursuing military strong-arm measures and strongly ask the United States to resolve the nuclear issue through dialogue and negotiations.

Just like a thief turning on the victim with a club, the United States, which gave rise to the nuclear issue, finds fault with us, who are under nuclear threat, and tries to beef up aggression forces. This clearly shows it has no interest in peacefully resolving the nuclear issue on the Korean peninsula but tries to crush [apsal] our Republic by military force.

No strong-arm measures will work on us, who consider independence to be their life.

We have already made it clear that if the United States chooses to take strong-arm measures, we will take a different road.

If the United States tries to get something through military adventures, this will be a miscalculation.

The U.S. imperialists must clearly know we are ready for both dialogue and war and act with discretion.

PRC Spokesman Opposes Sanctions Against DPRK

AU2006115994 Hamburg DER SPIEGEL in German 20 Jun 94 p 134

[Interview with Shen Guofang, PRC government spokesman, by unidentified DER SPIEGEL correspondent; place and date not given: "'Prevent The War'"]

[Text] [DER SPIEGEL] There is no country that has better relations with North Korea than China. How dangerous is North Korea's nuclear potential?

[Shen] We maintain normal diplomatic relations with North Korea, but there is no nuclear cooperation. North Korea has declared on several occasions that it has no intention of developing nuclear arms.

[DER SPIEGEL] The United States says that Kim Il-song has enough plutonium to build several nuclear bombs.

[Shen] To date, there is no proof of that.

[DER SPIEGEL] What would you advise North Korea to do to defuse the situation?

[Shen] We advocate a de-nuclearization of the Korean peninsula, and we are against nuclear arms, whether they are in North or South Korea.

[DER SPIEGEL] What does this mean in specific political terms?

[Shen] North and South Korea must get back to the negotiating table. Also, the United States and the IAEA [International Atomic Energy Agency] must continue their dialogue with the North.

[DER SPIEGEL] If, however, the issue of sanctions against North Korea were to be brought before the UN Security Council, how would China decide?

[Shen] We are basically opposed to such problems being taken before the Security Council. It would only aggravate the situation and does not get us anywhere. We want talks.

[DER SPIEGEL] What guarantees are there to prevent Pyongyang from tinkering with the bomb in the meantime?

[Shen] There is no proof that they have any nuclear weapons at all. Sanctions would only make the situation worse.

[DER SPIEGEL] Pyongyang has repeatedly threatened war. Is North Korea bluffing, or is this to be taken seriously?

[Shen] All parties should show restraint and remain calm at the moment. A war must be prevented; it would not involve any advantages for anyone.

[DER SPIEGEL] In 1961, China concluded a military mutual assistance pact. Will you keep it in the event of a war?

[Shen] It is a friendship and assistance pact, which is, of course, still valid today. But we should not talk of war so much. I am convinced that there is still enough room for a peaceful solution.

Spokesman Criticizes French Support for Sanctions

OW1806164094 Pyongyang KCNA in English 1544 GMT 18 Jun 94

["A DPRK FM Spokesman Says French Authorities Should Ponder Over Matters"—KCNA headline]

[Text] Pyongyang, June 18 (KCNA)—A spokesman for the DPRK Foreign Ministry [FM] answered a question put by KCNA today regarding the fact that the French Government has recently danced duet with the United States in the clamor for "sanctions" against the DPRK, thus aggravating the situation in Korea.

He said:

Some time ago, the French Foreign Ministry claimed "a decisive measure against North Korea", manifesting its official stand to support a UN resolution on "sanctions".

Earlier, during U.S. President Bill Clinton visit to France, the French prime minister and government officials agreed to his proposal for "sanctions" against the DPRK.

Such moves of France are aimed at preventing the "nuclear issue" which has become an international focal point from being solved through DPRK-U.S. talks, having a greater say by poking its nose into the matter, goading Northeast Asian countries onto a conflict and thereby fishing in troubled waters.

The situation in our country now has become extremely strained due to the anti-DPRK moves of the United States and its followers.

Our people are making full preparations to defend the dignity and sovereignty of the country in face of the enemy's moves.

The French authorities cannot be ignorant of the fact that "sanctions" against the DPRK under such circumstances may lead the situation to a catastrophic phase.

Nevertheless, France fell in with the United States' view in the clamor for "sanctions" without any idea of its own and danced to the tune of others, edging itself into other's [words indistinct] for the convocation of an international conference, [words indistinct] to shame. Judging from this, one can see clearly that France is not interested at all in the question of defusing the present crisis on the Korean peninsula but persistently seeking to gratify its sinister aims.

We cannot but throw into question the reckless behavior of the French authorities.

We have already declared more than once that in case any "sanctions" should be imposed on us not only the parties taking the van in enforcing them but also those who back them would be held responsible.

The French authorities must know that our warning is not an empty word and ponder over the matter.

If France wants to save its face and discharge its responsibility as a permanent member of the UN Security Council, it should help toward a peaceful solution of the nuclear issue on the Korean peninsula through dialogue and negotiation, instead on joining in the act of bringing the issue into extremes.

Meeting Held in Japan Opposing DPRK Sanctions

SK1806042894 Pyongyang KCNA in English 0412 GMT 18 Jun 94

["Projected 'Emergency Security Legislative Arrangements' Opposed in Japan"—KCNA headline]

[Text] Pyongyang, June 17 (KCNA)—A meeting of Japanese figures for thinking of the "emergency security legislative arrangements" and the Korean question took place in Tokyo on June 10.

Professor Motofumi Asai of Meiji Gakuin University in his report at the meeting titled "On the 'Emergency Security Legislative Arrangements' and the Korean Question" said Japan's preparation of the "legislative arrangements" is a political plot aimed at turning itself into a military power, which involves "troop dispatch overseas" of its "Self-Defence Forces". He added that Japan has been increasing tensions by whipping up the clamour about "a nuclear threat" from the Democratic People's Republic of Korea in a bid to put it into effect.

Jiro Suzuki, an honorary professor of Tokyo Metropolitan University, made a report titled "On the Human Rights of Koreans in Japan and Discriminations Against Them". He said "sanctions" have been taken in Japan in the form of crackdown on Koreans in Japan, while politicians are crying for the "emergency security legislative arrangements" and "sanctions" against the DPRK.

An appeal opposing the "emergency security legislative arrangements" and calling for a peaceful solution of the Korean question was adopted at the meeting.

Saying the Japanese Government authorities' preparation of the "legislative arrangements", choosing the DPRK as an imaginary "enemy", is an extremely dangerous anti-peace, anti-democratic move, the appeal strongly urged them to give up the preparation and strictly control criminal acts against Chongnyon and Koreans in Japan.

WPK Secretary Meets Delegation From Japan's LDP

SK1706114594 Pyongyang KCNA in English 1110 GMT 17 Jun 94

[Text] Pyongyang, June 17 (KCNA)—Secretary of the C.C. [Central Committee], the Workers' Party of Korea [WPK] Hwang Chang-yop today met and conversed in a friendly atmosphere with a delegation of the Japan Liberal Democratic Party [LDP] headed by Taku Yamasaki, deputy secretary general of the party and member of the house of representatives, at the Mansudae Assembly Hall.

Present there was vice department director of the WPK Central Committee Kim Yang-kon.

Japan's Wish for Permanent UNSC Membership Decried

SK1806110594 Pyongyang KCNA in English 1005 GMT 18 Jun 94

["Impudent Move"—KCNA headline]

[Text] Pyongyang, June 18 (KCNA)—MINJU CHOSON today comments on the move of the Japanese authorities to be a permanent member of the United Nations Security Council [UNSC], which is becoming all the more unscrupulous.

Recalling that the Japanese delegate at a meeting of the committee on the reform of the UN Security Council formally declared the wish of Japan to be a permanent member, the analyst says:

This is, indeed, a ridiculous and impudent act.

Japan has neither qualification nor confidence for a permanent member of the UN Security Council.

Japan is, above all, an "enemy state" which has not honestly repented of and liquidated her blood-stained past, though 50 years have passed since the end of the Second World War, but is defending and trying to justify the war of aggression committed by her.

The Japanese ruling quarters are working round the clock to turn Japan into a military power and arm her with nuclear weapons, with the tag of "enemy state" still attached to her. Worse still, the Japanese authorities unhesitatingly commit suppression of foreign citizens in Japan and their organizations by mobilizing power. They have instituted the "law on cooperation in UN peace-keeping operations" and is now hastening the preparation of "emergency security legislative arrangements" to open a broad road for aggression overseas.

The Japanese ruling quarters are loud-mouthed about "international contribution". But they must clearly understand that Japan still remains a target of accusation and denunciation by the Asian people, far from enjoying their confidence, because she is evading the liquidation of the past and stepping into the old- fashioned shoes of aggression overseas.

They must not impudently eye the permanent membership of the UN Security Council, but properly liquidate the past, first of all, and renounce the scheme of overseas aggression.

Japanese Nuclear Maneuvers Denounced

SK2006142594 Pyongyang Korean Central Broadcasting Network in Korean 0754 GMT 20 Jun 94

[Unattributed talk: "Crafty Trick To Conceal Nuclear Armament"]

[Text] The Japanese authorities are running amok with reckless commotion over our nuclear developments. We know this because they have turned up in the forefront of the U.S. anti-Republic international cooperative system.

While spreading a groundless rumor that we have manufactured nuclear weapons, the Japanese reactionaries are not only raving that international pressure and sanctions should be imposed on us but are also making absurd remarks that our nuclear development poses a threat to Japan's security. This is indeed ridiculous.

Moreover, the Japanese reactionaries are scheming to isolate us at the van of others by putting forward gibberish about international cooperative systems and so forth in international conferences, including the United Nations.

By keeping in mind certain sanctions against our Republic, the Japanese authorities are accelerating the formulation of legislative measures in a bid to establish a war system, such as the emergency law, and are even raving about a marine blockade.

This is an undisguised disclosure of the Japanese reactionaries' will to join the war to invade Korea by following the United States in an emergency.

The Japanese reactionaries, who are busily running wild joining the maneuvers of the United States and the South Korean puppets to crush our Republic, are spreading preposterous and groundless rumors and false reports about our Republic. This strengthens the oppression of the General Association of Korean Residents in Japan and Koreans living in Japan. This is a grave challenge to our Republic, an independent sovereign state, and is the greatest infringement on human rights. In addition, this is an act of illegal and unjust political suppression and is a criminal act of excluding other nations.

Today the Japanese reactionaries are attempting to conceal the development of their nuclear weapons by adhering to crafty tactics on the pretext of our nonexistent nuclear development.

As has been exposed, Japan accelerated on a full scale the nuclear weapons development beginning in the fifties. As a result, Japan has secured all material and technological foundations that enable it to manufacture nuclear weapons. With Japan's nuclear armament being pushed ahead, worldwide vigilance is becoming more keen and voices of denunciation are resounding more highly.

All flowery words uttered today by the Japanese authorities about the peaceful use of plutonium, the three principles for denuclearization, and so forth, are false. The Japanese reactionaries needed excuses for legalizing their nuclear armament. Our nuclear development, fabricated by them, is one of such excuses.

Today, the Japanese authorities, shamelessly enough, are actively accelerating their nuclear armament under a deceitful signboard by laying a blame on our side.

The recently-exposed incident of concealment of plutonium capable of manufacturing nine nuclear bombs is an incident of plutonium concealment carried out under tacit approval of the International Atomic Energy Agency, which is applying double standards in the nuclear issue, according to instructions of the United States. This is an actual example of Japan's accelerating its nuclear armament.

What is grave is the fact that no one knows how much plutonium Japan, which was branded a flagrant offender, has systematically concealed for scores of years during which it kept operating nuclear facilities.

Nevertheless, the Japanese authorities, shamelessly enough, made provoking remarks while laying the blame on us for our so-called nuclear development issue, claiming that a resolute attitude of international community is necessary, Japan's cooperation for sanctions when a resolution is adopted in the United Nations is quite natural, and so forth. This is a crafty tactic to prevent plutonium, which Japan has systematically concealed, from being exposed any more by diverting the people's attention to us.

The Japanese authorities, who accelerated nuclear armament by laying the blame on us, have now been officially recognized by the world as nuclear maniacs. Reality shows that nuclear threat comes to us from Japan, not from us to Japan.

Today the Japanese reactionaries are openly spreading remarks that the use of nuclear weapons is not a violation of international laws. This is indeed alarming. The Japanese reactionaries' hostile act against our Republic has reached an extreme pitch in collusion with the United States and the South Korean puppets.

If one attempts to gain and increase one's popularity by sacrificing others, such benefit and popularity will work as a gimlet piercing one's own eye. The Japanese reactionaries should precisely realize this. The more blame Japan lays on us, the more clearly will our innocence be proven, and the more clearly will Japan's dark and shameless intentions be exposed to the world.

We have already clearly stated that if Japan joins in any sanctions against us, whether by taking the lead or being dragged in, we will regard this as a declaration of war. If Japan turns up on the path of sanctions, at last while accelerating nuclear armament defying our warnings, Japan can never evade due punishment for this.

Japan should clearly realize the firm will and determination of our people, who dislike empty words, and should immediately stop its catastrophic maneuvers to become a big nuclear power and reckless commotions over sanctions.

Kim Yong-sam's Trip to Russia Condemned

SK1706112394 Pyongyang KCNA in English 1056 GMT 17 Jun 94

[Text] Pyongyang, June 17 (KCNA)—The ugly color of the traitor Kim Yong-sam who stoops to any infamy in harming fellow countrymen was fully revealed during his tour of Russia early this month.

During his trip, he was closeted with Yeltsin over the "nuclear issue" of the DPRK, the problem of timber workers, the sales of parts of weapons and the establishment of a peace arrangement. It was a criminal dealing down to the slightest detail for doing harm to the DPRK.

During his trip, he fully revealed his true color as a traitor to the nation and flunkeyist who seeks a permanent division of the country and the nation.

His criminal act culminated in entreating Russia to "join" in taking "UN sanctions" against the DPRK over the fictitious "nuclear issue."

It is intolerable that the traitor Kim Yong-sam, who is hastening nuclear arms development, not content with the deployment of huge quantities of U.S. nuclear weapons in South Korea, entreated Russia to "cooperate" in "sanctions," branding the DPRK as a "nuclear criminal." What is ridiculous, however, is that he threw a bait of "economic cooperation" to yeltsin in return for that.

The traitor promised Russia to reschedule debt service, taking advantage of its difficult situation under a heavy debt burden and asked Russia to help South Korea in kidnapping and taking away timber workers of the North from the far east region in return for that. This is an intolerable insult and challenge to the North.

This is a sinister political intrigue to satisfy his own interests, improve his image under the cloak of "humanitarianism" and drive a wedge between the DPRK and Russia.

While massively introducing latest weapons of mass destruction including the Patriot in reward for rice market opening to the United States against the interests of the South Korean farmers and frantically staging nuclear war exercises, Kim Yong-sam asked Russia not to sell parts of weapons to the DPRK. This is an open revelation of the criminal plot to internationally isolate and stifle the DPRK.

The traitor also let loose a string of ridiculous remarks, slandering the DPRK's proposal for establishing a peace arrangement and crying for the maintenance of the armistice system, though South Korea is not a signatory to the armistice agreement and has no real power and no say. This clearly shows that the "civilian"-veiled traitor Kim Yong-sam is a war servant outdistancing the preceding military dictators and the very one increasing the tensions on the Korean peninsula.

Facts show that his visit to Russia was a criminal trip to beg Russia to "join" in "sanctions" of the UN against the DPRK over its "nuclear issue" and a never-to-be-condoned flunkeyist treacherous trip to leave the interests and existence of the nation to the gamble of outside forces.

It is only too natural that the despicable perfidious acts committed by Kim Yong-sam, the political prostitute, during his Russian trip have encountered strong criticism from the Korean nation and the progressive people of the world.

South Urged To 'Rid Itself' of 'Colonial Rule'

SK1706112294 Pyongyang KCNA in English 1048 GMT 17 Jun 94

["S. Korea Must Rid Itself of Colonial Fetters of United States"—KCNA headline]

[Text] Pyongyang, June 17 (KCNA)—If the Korean issue is to be settled smoothly, South Korea must rid itself of the fetters of U.S. colonial rule, stresses NODONG SINMUN today.

The paper in a by-lined article says:

The U.S. imperialists' occupation of South Korea and colonial rule over it are the root cause of all the misfortunes of the Korean nation, the chief obstacle to the reunification of Korea and a permanent factor of war on the Korean peninsula. The U.S. colonial rule over South Korea is, first of all, the source of the disturbance of peace, the acute confrontation and tensions and the growing danger of nuclear war on the Korean peninsula.

It is the invariable ambition of the U.S. imperialists to keep South Korea under their military occupation, execute their aggressive strategy toward Korea, Asia and the Pacific with it as the bridgehead and, further, dominate the world.

The United States, regarding the Korean peninsula as a "test field of a new military strategy," is frequently staging provocative nuclear attack exercises against the North together with the South Korean puppets, posing a constant nuclear threat to the DPRK. This has created a very dangerous situation which may lead to the outbreak of nuclear war any moment on the Korean peninsula.

Yet the United States shamelessly describes South Korea as an "independent state" and "friendly nation," not its colony, and depicts itself as the "protector," "helper" and "apostle of peace" for the South Korean people. This is a ridiculous sophism to conceal the colonial dependence of South Korea and its own nature as an aggressor, a plunderer and the chieftain of war.

The U.S. colonial rule over South Korea is also the chief obstacle to the independent and peaceful reunification of Korea.

It is entirely due to the United States that the Korean nation's cause of reunification has not yet been accomplished.

It is the United States that has manipulated the puppets to bind to the chains of fascism the South Korean students and people who desire reunification through the alliance with communism and the North. It is also the United States that has worked out a divisive scenario for the puppets and manipulated them to blindly oppose the reasonable proposals of the North for national reunification.

The United States must show its will to solve the Korean issue by putting an end to its anachronistic military occupation of South Korea and colonial rule over it.

SPA Chairman Welcomes DP Leader's Wish To Visit

SK1706121594 Pyongyang KCNA in English 1104 GMT 17 Jun 94

[Text] Pyongyang, June 17 (KCNA)—The chairman of the Supreme People's Assembly [SPA], Yang Hyong-sop, released a statement today welcoming the remarks of president of the Democratic Party [DP] of South Korea Yi Ki-taek at an emergency press conference on June 14, at which he reiterated his party's position of opposing "sanctions" and "pressure" against the fellow countrymen in the North and hoping for ensuring peace of the country through dialogue and negotiation and expressed his willingness to visit Pyongyang as "a special envoy of the government", if possible.

Saying it is only too natural that at a time when figures of various strata are visiting Pyongyang from other countries, concerned over the acute situation prevailing on the Korean peninsula, the president of a South Korean opposition party wants to visit Pyongyang to meet with fellow countrymen, Yang Hyong-sop said:

Taking note of the fact that president Yi Ki-taek, who had expressed the hope for a visit to Pyongyang more than once from the beginning of the year, expressed again his intention to visit Pyongyang as "a special envoy," I view this as an expression of the spirit national independence for averting the danger of war facing the nation and ushering in a bright future of the nation through dialogue and negotiation by pooling wisdom and strength of leading politicians of the North and the South.

So, I think that he may visit Pyongyang as the president of the Democratic Party or as "a special envoy."

We will heartily welcome his visit. Convinced that if he visited Pyongyang, we could seek a fair and good way of radically improving North-South relations in an atmosphere of mutual understanding and respect as fellow countrymen, I express the hope for his early visit to Pyongyang.

Anyone who is concerned over the destiny of the fellow countrymen, if but a little must not bar his visit aimed at overcoming the grave difficulties facing the nation and opening a new phase of reconciliation and unity of the fellow countrymen but offer all the necessary conditions and conveniences.

Paper Denounces ROK Document on Nuclear Issue

SK1906105794 Pyongyang KCNA in English 1037 GMT 19 Jun 94

['Impudent Act"—KCNA headline]

[Text] Pyongyang, June 19 (KCNA)—NODONG SINMUN in a commentary today raps the document distributed by the South Korean puppet vice foreign minister at a preparatory meeting of the Asian regional forum held in Bankok some time ago which contended that the socalled "nuclear issue" of the DPRK is a "most serious matter" threatening the security of Northeast Asia, urging the need to create "a forum of dialogue for the security of Northeast Asia" for the purpose of "strengthening international and regional cooperation" to resolve the matter.

The news analyst says:

It was Japan that responded to the South Korean puppets' call most nimbly. The South Korean puppets and the Japanese reactionaries seek a sinister political purpose in crying for the creation of the "forum".

Through the "forum" and "dialogue" they intend to create the impression that the DPRK is isolated internationally and impair the image of our dignified republic.

The very ones posing a grave threat to the peace and security of Northeast Asia are the United States, and Japan and South Korea. Beefing up aggression forces in and around South Korea, the United States is screwing up tensions and threatening a military attack on the DPRK. And it is well known a fact that the South Korean puppets are zealously joining the United States in this racket.

The Japanese reactionaries are speeding up the conversion of Japan into a military power and its nuclear armament and employing every conceivable means to stage a comeback to Korea.

The ASEAN members and Asian and Pacific nations are expressing concern over this situation.

Through "forum" and "dialogue", the South Korean puppets and the Japanese reactionaries intend to cover up their criminal acts in threatening the peace and security of Northeast Asia and inveigle other Asian and Pacific nations into the anti-DPRK campaign.

What is needed for the peace and security of northeast Asia is to check the U.S. moves of aggression and war in the region as well as the Japanese reactionaries' drive for the conversion of Japan into a military power and its nuclear armament and its reinvasion moves, and the South Korean puppets' anti-DPRK campaign.

Radio Denounces ROK 'Nation-Selling Regime'

SK2006042494 Pyongyang Korean Central Broadcasting Network in Korean 1650 GMT 17 Jun 94

[Unattributed talk: "A Flunkeyist Nation-Selling Regime Following Its Master's Aggressive Policy"]

[Text] South Korea's Kim Yong-sam puppet regime is a flunkeyist nation-selling regime following the aggressive policy of the United States. As is known, recently traitor Kim Yong-sam talked about the prerogative of the supreme command of the military and so-called decisive power and babbled as if he was exercising some kind of sovereign rights. This is truly ridiculous.

The world officially recognizes the fact that the Kim Yong-sam puppet traitor pledged to serve the United States and is actively following in the master's aggressive and war policy while dancing according to their interest.

South Korea's HANGYORE SINMUN wrote that without protection from the United States, the Kim Yong-sam puppet ruling bunch cannot maintain their lives forever. That is so. The Kim Yong-sam puppet regime is a flunkeyist nation-selling regime which cannot exist even for a moment without the aggression, war policy, and protection of the United States.

The Kim Yong-sam ring, which entrusted its life to the U.S. master, is earnestly requesting their protection and begging for the perpetual occupation of South Korea by the U.S. Forces. Whenever they had the opportunity, the South Korean puppets beautified the U.S. Forces occupying South Korea as a deterrent power of war and as an apostle of peace. They are also unhesitatingly devoting billions of dollars every year for maintenance to hold on to the U.S. Forces. This is a treacherous act that can be conducted only by the pro-U.S. flunkeyist nation-sellers.

Moreover, the Kim Yong-sam puppet traitor recently even entrusted South Korea as a test place of a new U.S.

military strategy and as a military spy base for espionage activities against the North.

As is well shown in the process of bringing in the Apache helicopter for offensive use and Patriot missiles into South Korea, the Kim Yong-sam puppets are all the more degrading South Korea into an exhibition hall and sales market of old and new war equipment, and are even playing to fill the stomachs of the complexes of the U.S. munitions industry.

As is such the case of the South Korean puppet regime, since it is a flunkeyist nation-selling regime in which its lifeline is in the hands of the United States, the tyranny by the aggressors is being all the more promoted. This all the more only brings about the result of degrading South Korea into a dangerous hotbed of a new war and nuclear war.

In South Korea, which has been under the exclusive military control of the U.S. imperialist aggressors, there is only an aggravated tense situation and a smell of a strong powder-reeking war.

Currently, the Kim Yong-sam puppet regime is running amok crazily to harm the fellow countrymen by borrowing the knives of outside forces. Under the manipulation of the U.S. imperialists, the South Korean puppets are all the more viciously carrying out commotion of confrontation opposing us by finding fault with our nuclear issue. The so-called North's nuclear issue is a product of the antisocialist and anti-Republic oppressive maneuver which is being persistently pursued by the U.S. imperialists.

The Kim Yong-sam puppet traitor is running amok to plot to harm and crush [apsal] us by advancing as a shock brigade of the nuclear commotion of the imperialist reactionaries. The Kim Yong-sam puppet traitor is begging to the U.S. master to no longer make compromises and is maneuvering in all directions to achieve the international cooperative system opposing us and realize sanctions.

One of the examples is that in November of last year, the Kim Yong-sam puppet visited the U.S. master and even devoted South Korea's rice market to the United States and begged to maintain the international cooperative system opposing us. Under the assumption of taking sanctions and carrying out a military attack against us, the Kim Yong-sam puppet traitor committed forces to the Rimpac joint war exercise from late May, in which the United States and Japan also participated. Also, for two weeks beginning 22 August Ulchi-Focus Lens, a joint military exercise of the U.S. imperialist aggressive forces and South Korean puppet forces, and in November, the Team Spirit joint military exercise, are scheduled to take place again.

All facts prove how much the Kim Yong-sam ring is running amok to commit military adventure opposing us by following the U.S. imperialists' aggression and war policy. Even though there were many nation-sellers in South Korea, there were by no means nation-sellers like traitor Kim Yong-sam who are running amok frantically to harm us by borrowing the power of outside forces.

The Kim Yong-sam puppet regime is truly a flunkeyist nation- selling treacherous group of the times, more so than the military dictators before him. If the Kim Yong-sam flunkeyist nation-selling regime remains in South Korea, which is trying to maintain the remainder of its dirty doomed life by depending on outside forces, the South Korean people will not be able to free themselves from the position of a colonial slave and the whole nation will not be able to avoid being covered with the calamity of a nuclear war as well.

The Kim Yong-sam flunkeyist nation-selling regime, which is bringing about a dark cloud of a nuclear war in the sacred territory of our fatherland by following the outside aggression and war policy, must be overthrown without fail.

ROK 'Provocations' Inside DMZ 17-18 Jun Reported

SK1906091094 Pyongyang KCNA in English 0844 GMT 19 Jun 94

[Text] Pyongyang, June 19 (KCNA)—The South Korean puppets perpetrated provocations against the North by bringing heavy weapons and armed bandits into the Demilitarized Zone (DMZ) along the military demarcation line Friday and Saturday, military sources said.

Armed bandits of the puppet army Friday deployed recoilless guns in the DMZ in the central sector of the front and took a firing posture toward a post of the North on the opposite side, seriously threatening the safety of people's army soldiers. Some 300 puppet army soldiers entered the DMZ and created a terrible war atmosphere Friday and Saturday.

In the period from June 11 to 18, the South Korean puppets illegally brought a total of 4,700 armed bandits and 1,300 vehicles intothe DMZ for war exercises, search and building of military setups including positions.

The reckless military provocations of the South Korean puppets in the DMZ are a deliberate and premeditated move to artificially aggravate the situation in this region and ncite North-South confrontation.

The South Korean puppets must refrain from rash acts, clearly mindful of the grave consequences of the aggravation of the situation on the Korean peninsula.

Increase in ROK Military Budget Denounced

SK1806044994 Pyongyang KCNA in English 0444 GMT 18 Jun 94

["Powder-Reeking Military Budget"—KCNA headline]

[Text] Pyongyang, June 18 (KCNA)—NODONG SINMUN today lashes out at the scheme of the South Korean puppet Defence Ministry to drastically increase the "military budget" for next year by 12.5 percent above this year's.

The analyst says:

The decision of the South Korean puppets to increase military spendings with blood taxes collected from the people is an intolerable challenge to the entire fellow countrymen who are calling for peace and reunification.

The Kim Yong-sam group is arguing for "the inevitability of sanctions" against the North and staging war games in and around the Korean peninsula almost every day while keeping the whole puppet army on "an emergency alert".

It is not accidental that it has decided to largely increase military appropriations next year. It is clear that it intends to make a military adventure, come what may, under the pretext of the "nuclear issue" of the North.

None of the successive South Korean rulers refrained from seeking North-South confrontation. But there was no such a warmaniac as the traitor Kim Yong-sam who is so maliciously and persistently kicking up the anti-national racket of confrontation and war.

The Kim Yong-sam group seems to be hoping to get something from a war against the North, dancing to the anti-DPRK, anti-socialist tune of the U.S. masters. But, it is an act of an idiot who is woefully short-sighted.

If the Kim Yong-sam group dare ignite a war, losing reason, it will meet a miserable end.

Kim Il-song Meets With SRV Defense Minister

SK1806105694 Pyongyang KCNA in English 1016 GMT 18 Jun 94

[Text] Pyongyang, June 18 (KCNA)—The great leader President Kim Il-song today received the visiting high-level military delegation of the Socialist Republic of Vietnam headed by General Doan Khue, Politburo member of the Central Committee of the Communist Party of Vietnam and minister of national defence.

Present on the occasion were O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of the People's Armed Forces, Vice Marshal of the Korean People's Army Kim Kwang-chin, and Colonel General of the KPA Pak Chae-kyong.

Vietnamese Ambassador E.P. [extraordinary and plenipotentiary] to Korea Duong Chinh Thuc and his embassy officials were on hand.

The head of the delegation conveyed a personal letter of President Le Duc Anh to President Kim Il-song.

President Kim Il-song had a talk with the guests in a cordial and friendly atmosphere.

Kim Il-song Greets President of Seychelles

SK1706121494 Pyongyang KCNA in English 1058 GMT 17 Jun 94

[Text] Pyongyang, June 17 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on June 16 sent a message of greetings to France Albert Rene, president of the Republic of Seychelles, on the occasion of the national day of the republic.

Saying that the Seychellois people are actively striving to achieve national unity and the prosperity of the country, President Kim Il-song in the message expressed the belief that the excellent relations of friendship and cooperation between the two countries would grow stronger and develop.

DPRK Envoy Pays Call on Malian Leader

SK2006102594 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 19 Jun 94

[Text] Kim Ki-han, ambassador of our country, on 11 June paid a farewell call on (Mamadou L. Besir Kolobo), general secretary of the National Guidance Committee of the Sudanese Union of Mali-African Democratic Alliance.

At the meeting, the ambassador conveyed greetings from the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il to General Secretary (Mamdou L. Besir Kolobo).

Expressing deep appreciation for this, the general secretary asked the ambassador to convey his greetings and wish for long life to the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il.

The general secretary said that today the U.S. imperialists and imperialists in the West are running amok to crush [apsal haryogo palgwanghago] socialist Korea.

He said: The U.S. imperialists, together with Japan and the South Korean puppets, are raving about sanctions against socialist Korea on the pretext of a nonexistent nuclear problem of the DPRK. The incident of Japan's concealment of plutonium and oppression maneuvers against the General Association of Korean Residents in Japan are acts that should absolutely not be overlooked.

Nevertheless, the United States and the West, while pretending that they are not aware of such acts, are acting arbitrarily by raving only about the nuclear issue of the DPRK. The imperialists are making miscalculation. The U.S. imperialists cannot bring the Korean people, who firmly believe in justness of their cause, to their knees. The Korean people have attained firm single-hearted unity based on the chuche idea which the great His Excellency President Kim Il-song created and which dear His Excellency Kim Chong-il is brilliantly deepening and developing. No strength in the world can make the Korean people surrender.

Activities Commemorate Kim Chong-il Anniversary

Symposiums Held on WPK Work

SK1806043794 Pyongyang KCNA in English 0425 GMT 18 Jun 94

[Text] Pyongyang, June 18 (KCNA)—Symposiums of working people's organizations were held to mark the lapse of 30 years since the dear leader Comrade Kim Chong-il began to work at the Central Committee of the Workers' Party of Korea [WPK].

Speeches were made at the symposiums on different subjects such as "The dear leader Comrade Kim Chong-il's idea and theory of building working people's organizations is immortal grand programme of building mass organizations of our times", "Dear Comrade Kim Chong-il is an illustrious leader who has most successfully solved the question of education of young people".

Speakers said that from the first days of his leadership of the party work Comrade Kim Chong-il attached great importance to the work of building working people's organizations and has energetically led them to discharge their mission and role as peripheral organizations of the party.

Noting that the party and the revolutionary ranks have been cemented rockfirm as militant ranks of loyal subjects and filial people and the country has turned into an indestructible socialist power not wavering in face of any politico-ideological offensive and military threats of the imperialists and reactionaries, they said this is entirely a result of the tireless, energetic activities and leadership of Comrade Kim Chong-il.

They said the most important of feats performed by Comrade Kim Chong-il is that he has reared young people as lifeguards, death-defying corps loyal to the party, thereby guaranteeing a bright future of the party and the revolution. The five million young people now are firmly prepared to be guns and bombs defending the party and the leader with their lives no matter what mad wind may blow in their way, they declared.

Symposiums also took place in the provinces.

Russian Paper Praises WPK Role

SK2006102694 Pyongyang KCNA in English 1005 GMT 20 Jun 94

[Text] Pyongyang, June 20 (KCNA)—The Russian paper PATRIOT No. 24 devoted two whole pages to special writeups on the lapse of 30 years since the dear leader Comrade Kim Chong-il began working at the Central Committee of the Workers' Party of Korea [WPK].

The paper carried an article titled "United in One Will" with a picture of the dear leader Comrade Kim Chong-il in the study.

Laying a special stress on the role of the WPK at this juncture when the communist movement is undergoing enormous difficulties, the paper says:

Broad working masses firmly support the party's activities. This is because they have become convinced through their experience that the Workers' Party of Korea is the most steadfast champion of the [words indistinct] popular masses and the inspirer and organizer of all victories in the struggle against the imperialists and for the development of the national economy.

The Workers' Party of Korea will never lose the strong support of the people for this factor. And this means the WPK will not lose its vitality any time. Because its sources is the people. There are other factors decisive of the WPK's vitality. The first of them is that the party is blessed with wise leadership. The party's leadership has succeeded in ensuring its organizational inheritance. Comrade Kim Chong-il, an outstanding political activist, stands at the head of the leadership at present.

Today the WPK has become a powerful party whose leading officials and members are all united in the same faith and will to carry the revolutionary cause to accomplishment.

A steel-like discipline of the whole party acting as one man under the leadership of its Central Committee has been established in the WPK.

Comrade Kim Il-song and Comrade Kim Chong-il are great practicians in socialist construction. They are also prominent theoreticians who know how to indicate the party's goal, its method of work with the masses, and the prospect of the development of socialist society, clearly looking forward to the future.

In Korea the people have covered and are covering the road indicated by the party theoretically flawless, which is a correct guiding compass.

The Korean people's cause of socialism will certainly win as there are the WPK and such a leader as Comrade Kim Chong-il.

Foreigners Mark Anniversary

SK1906104594 Pyongyang KCNA in English 1019 GMT 19 Jun 94

[Text] Pyongyang, June 19 (KCNA)—A meeting of crewmen of foreign ships commemorating the lapse of 30 years since the dear leader Comrade Kim Chong-il began working at the Central Committee of the Workers' Party of Korea [WPK] was held Friday at Nampo, a port city on the west coast of Korea.

Present there were the crewmen of the Romanian-flagged ship Focsani, the Cypriot-flagged ship Andaxios, the Honduran-flagged ship Sea Rose, the Panamanian-flagged ship White Kowa. Speaking at the meeting, Jinga Sorin, master of the Focsani, said that respected His Excellency Kim Chong-il has made great achievements in the building of the party, the state and the army with his energetic ideological and theoretical activities, wise leadership, and love for the peope over the last 30 years.

He said Korea is the only country in the world, where the leader loves people, the people uphold the leader and they are united in one mind.

Other masters and crewmen who followed him on the rostrum said that the socialist cause of Korea will surely win and Korea will be reunified into one, because it is guided by the dear leader His Excellency Kim Chong-il. They sincerely wished good health and a long life to him who is strengthening and developing the WPK to be an invincible party with his rare wisdom and matchless grit.

The participants shouted at the top of their voices "Long Live His Excellency Kim Chong-il, a Sagacious Leader of the People!," recited the poem "Thinking of Love" and sang the song "Kim Chong-il, the Lodestar."

A congratulatory letter to Comrade Kim Chong-il was adopted at the meeting.

SKNDF Sends Congratulations

SK1906083494 Pyongyang KCNA in English 0803 GMT 19 Jun 94

[Text] Pyongyang, June 19 (KCNA)—The dear leader Comrade Kim Chong-il received a congratulatory message Saturday from the Central Committee of the South Korean National Democratic Front [SKNDF] on the lapse of 30 years since he began working at the Central Committee of the Workers' Party of Korea.

The message says that the historic start of the party work by the sagacious leader Comrade Kim Chong-il on June 19, 1964, was a solemn declaration announcing the inheritance of the chuche cause and full efflorescence and development of the Workers' Party era and a political event worthy of being specially recorded in the history of the chuche revolution.

Reviewing the feats performed by Comrade Kim Chong-il over the last 30 years, the message notes that he has developed and enriched the chuche idea with new principles and contents through his unique ideological and theoretical activities and strengthened and developed the Workers' Party of Korea to be a chuche-type revolutionary party with his experienced and fresh art of leadership.

The dear leader Comrade Kim Chong-il, a great brilliant commander, has built the Korean People' Army to be a matchless and invincible army of the party equipped with modern defensive and offensive means, made the Army and people a crystal of the unity of loyal subjects and filial people, which cannot be broken even by an atomic bomb and firmly built the whole country into an impregnable fortress which any formidable imperialist enemy cannot provoke and led to one victory after another the most acute ever political and military confrontation with the U.S. imperialists hell bent on stifling the northern half of Korea, the message says.

It declares that Hanminjon will build up the independent driving force of the change by stepping up the awakening of the people to the consciousness of independence and their organisation under the banner of the chuche idea and accelerate the glorious victory of independence, democracy and reunification by intensifying the anti-U.S., anti-war, anti-nuke and anti-fascist struggle.

The message wishes Comrade Kim Chong-il good health and a long life.

Performance Celebrates Anniversary

SK1806044894 Pyongyang KCNA in English 0434 GMT 18 Jun 94

["Performance of Provincial Art Propaganda Troupes Celebrating 30th Anniversary of Start of Work by Comrade Kim Chong-il at C.C., WPK"—KCNA headline]

[Text] Pyongyang, June 18 (KCNA)—A performance was given by the provincial art propaganda troupes on Friday on the lapse of 30 years since the dear leader Comrade Kim Chong-il began working at the Central Committee [C.C.] of the Workers' Party of Korea [WPK].

Politburo members of the C.C., the WPK and Vice-Presidents Yi Chong-ok and Pak Song-chol and party and government cadres saw the performance with working people in the capital.

The poem and song "His Whole Life," the chorus poem "the brilliant commander of Mt. Paektu" were included in the colorful program praising the greatness and leadership feats of Comrade Kim Chong-il who is successfully carrying forward to accomplishment the revolutionary cause of chuche started in the thick forests of Mt. Paektu and showing the Korean people's unshakable faith and steadfast will to glorify the socialist motherland, united around the party in one mind, with highest national pride in making revolution under his guidance.

The program also included stage pieces telling how the dear leader reared the popular masses to be revolutionary soldiers faithful to the party and the leader by embracing them with benevolent politics of love and trust, and depicting the pride of our nation blessed with sagacious leaders.

Central Committee Thanks Machinery Bureau

SK1806233594 Pyongyang KCNA in English 2212 GMT 18 Jun 94

[Text] Pyongyang, June 18 (KCNA)— Message of thanks of the Central Committee of the Workers' Party of Korea was recently conveyed to the workers and officials of the

Yongsong associated machinery bureau who had made significant achievements in the production of ordered equipment.

The associated bureau, a powerful machine-building base, is proud of being a "powerful enterprise" enjoying deep trust of the dear leader Comrade Kim Chong-il.

He gave highly important teachings to the bureau, guiding it on the spot on several occasions in order to develop it into a large-scale modern machinery production base.

Comrade Kim Chong-il called at the bureau in May 1984. Watching the 3,000-ton press operating, he assigned it the task to manufacture a 10,000-ton press suited to the expanded economic scale.

Upholding this task, the workers there worked out designs of the large machine made up of 70,200 parts of some 3,000 kinds in a few months and successfully built in a little more than one year a 10,000-ton press which would have taken four or five years at ordinary pace.

Upon receiving a report about the completion of the 10,000-ton press, Comrade Kim Chong-il visited the bureau again in March 1986 and praised the workers and officials of Yongsong repeatedly, saying they had done a big thing, they ere admirable and the bureau is, indeed, a powerful enterprise.

The bureau was a small machine plant which supplied parts to factories in the Hungnam area shortly after liberation.

It made a fresh start in its development after the war.

It was widely known as "a hero factory" by making a 510 mm rolling machine frame and a 1,500 HP speed reducer with highly efficient single-purpose machines made by it for itself at the end of the 50s in response to the slogan of the Workers' Party of Korea "iron and machinery are the king of industry [word indistinct]."

The bureau, later on, made large machine tools including a combined processing line of large materials, a 20-metre lathe and 18-metre turning lathe to reinforce its own processes. And it greatly contributed to the building of an independent national economy by producing such complicated and modern ordered equipment and large machines as a 3,000-ton press, 6,000-ton press, a 10,000-ton press, a 40,000 cubic metre centrifugal compressor, a 4,000 HP compressor and a large wheel press.

Now the bureau is pulling full weight on the production of equipment for accomplishing the comprehensive mechanization of agriculture on a higher level, large blower of sulfuric acid and other equipment for fertilizer production, equipment for the modernisation of light industrial factories and large machines including Yongsong lathe no. 3 in hearty response to the decisions of the 1st plenary meeting of the 6th Central Committee of the Workers' Party of Korea.

South Korea

160 Said Injured in 'Violent' Anti-UR Rallies

SK1806091494 Seoul YONHAP in English 0906 GMT 18 Jun 94

[Text] Seoul, June 18 (YONHAP)—More than 160 people were injured, fire erupted and police were taken hostage in the most violent clash of President Kim Yong-sam's administration Saturday as collegians and activists took to the street to stop government ratification of the Uruguay Round (UR).

Over 70 students were rounded up and police said they will all be arrested.

Tension escalated from early morning when estimated 700 students gathered at Seoul campuses to join the afternoon anti-UR rally.

Students resorted to steel pipes and wood sticks as riot police blocked them from going into campuses where morning ceremonies were planned before the march to the rally site in the southern part of the capital.

Demonstrators took 54 policemen hostage inside Hongik University campus [approximately 5 miles from the U.S. Embassy] and demanded an exchange with 20 collegians taken by police.

Riot troopers stormed the campus building with tear gas and saved the hostages but hours of confrontations continued before the students tried to force their way out using firebombs.

Rally pamphlets caught fire in the volley of firebombs and flame erupted at the student center but was put out in 25 minutes.

Police said at least 160 people, including 110 of their men and 50 students were hurt and receiving hospital treatment. Paek Kwang-hae, a 21-year-old student, was reported to have suffered serious eye injury after being hit by a rock.

Meanwhile, the anti-UR rally opened as scheduled at 3 PM with over 7,000 ralliers.

"Down with Uruguay Round, repel Uruguay Round," protesters chanted.

Seoul ended up opening its rice market despite President Kim's campaign pledge to keep it closed. The government is set to ratify the UR accord in August.

Downtown traffic was paralyzed for throughout the afternoon as some 1,000 ralliers went ahead with its 5 km march.

Reportage on North-South Summit Proposal

Kim Yong-Sam Accepts Proposal

SK1806052394 Seoul YONHAP in English 0519 GMT 18 Jun 94

[Text] Seoul, June 18 (YONHAP)—A South-North Korean summit is likely to be held in the near future as South Korean President Kim Yong-sam accepted North Korean President Kim Il-song's proposal to that effect.

Kim Il-song conveyed his willingness to meet Kim Yong-sam in the not-too-distant future without any conditions through former U.S. President Jimmy Carter, who arrived in Seoul Saturday after a four- day visit to Pyongyang.

Presidential press secretary Chu Ton-sik said that President Kim Yong-sam, upon hearing of Kim Il-song's wish to "meet President Kim Yong-sam at any time, anywhere without conditions at an early date," told Carter that he would accept the offer "without any hesitation."

Carter conveyed Kim Il-song's verbal message while briefing the South Korean president on the results of his visit to Pyongyang.

As to Kim Il-song's suggestion that "the earlier the summit came the better it would be," Kim Yong-sam expressed his assent, saying, "I myself think that the South-North Korean summit would be better the earlier it came." Kim asked Carter to convey his position to Kim Il-song, Chu said.

Barring any unexpected developments, a South-North summit is likely to occur in the near future for the first time in the half-century of national division, now that the two top leaders have said they were willing to hold an "unconditional summit meeting at any time and at any place."

The meeting could take place either in Seoul, Pyongyang or at a third location.

Once a summit was materialized, the nuclear and other major issues pending between the two sides could be discussed and epochal momentum provided to progress in South-North relations.

South and North Korea are expected to have working-level contacts soon to discuss details related to a summit meeting.

"There will be working-level contacts as President Kim Yong-sam has given an express reply to President Kim Il-song's proposal by saying he would meet the Northern leader at any time and at any place," spokesman Chu said.

Seoul Proposes 28 Jun Contact

SK2006014294 Seoul YONHAP in English 0135 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—South Korea on Saturday proposed to meet North Korea on June 28 to discuss procedures for the inter-Korean summit.

The proposal, contained in a message from South Korean Deputy Premier Yi Yong-tok to his North Korean counterpart Kang Song-san, said that a three-member delegation from each side led by a deputy premier-level official should meet at the truce village of Panmunjom at 10 A.M.

The decision to propose the contact was made at a unification-related ministers' meeting held early Saturday morning chaired by Deputy Premier Yi.

"Former U.S. President Jimmy Carter, who recently visited your side, has relayed to us that your top leader proposed holding a South-North summit in the near future without any conditions," Yi said in his message to Pyongyang.

"I was authorized to let you know that we agree to the proposal as it is the most ideal event considering the inward and outward conditions of our country and the fervent wish of our people," he said.

The burden on both South and North Koreans has been getting heavier over the past half-century because of distrust and confrontation, Yi said in the message.

"We have been saying that a meeting of the top leaders is favorable if it would quickly dissolve the South-North tension aroused by the nuclear problem and settle a relationship of reconciliation and cooperation by opening the door to peaceful reunification of our country," Yi said.

Unification Minister Yi Hong-ku, meeting reporters after the inter-Korean contact proposal was made, said there is no reason to delay the summit because "the sooner, the better."

He explained that Seoul made the proposal based on its position that denuclearization of the Korean peninsula must be realized, peacefully, through negotiation.

"It's the government's stance that results should be produced in the near future so that this preparatory contact would not drag on or pose problems in procedure and agenda-setting as in past contacts," he said.

The proposed meeting on June 28 is not designed to discuss exchanging special envoys but to prepare for a summit, the unification minister said. "It will be a working-level contact to decide on the time and location soon so that the summit can take place."

NUB Making Summit Preparations

SK1906091994 Seoul YONHAP in English 0911 GMT 19 Jun 94

[Text] Seoul, June 19 (YONHAP)—The South Korean Government embarked on comprehensive preparations Sunday for an inter-Korean summit meeting between South Korean President Kim Yong-sam and North Korean leader Kim Il-song as the possibility for the meeting has become higher.

On Saturday, President Kim promptly accepted the proposal by Kim Il-song through former U.S. President Jimmy Carter who returned to the South after a four-day visit to the communist country.

The National Unification Board (NUB), in this regard, formed a working-level task force team headed by Vice Minister Song Yong-tae and participated in by related ranking officials, an NUB official said.

The team is making a variety of working-level preparations for the summitry, a rare opportunity between the heads of the two countries in four decades, the official said, adding that the participants are now engaged in discussions for more details such as the timing and place for it.

Papers Examine Proposed Summit

SK1906114394

[Editorial Report] Seoul vernacular newspapers on 19 June carry articles and editorials on the proposed summit talks between ROK President Kim Yong-sam and DPRK President Kim Il-song.

The conservative CHOSON ILBO publishes on page 3 an 800-word editorial entitled "In Not Even 24 Hours." The editorial starts off by expressing hope that "the North Korean nuclear issue can be resolved through dialogue and realize the South-North summit talks" so that it will be an opportunity to further move toward achieving reunification. The editorial criticizes the government for hurriedly accepting President Kim Il-song's proposal for summit talks saying that it seems that this matter was not examined thoroughly. While urging that no decisions be made until North Korea shows practical reliability, it says that South-North summit talks will be welcomed with "open arms" if North Korea truly comes forward to the arena of dialogue to guarantee inspections and nuclear transparency. The editorial concludes by saying that the ROK must not be "dragged along" by North Korea.

The moderate HANGUK ILBO publishes on page 3 an 800-word editorial entitled "The Truth and Falsehood of the South-North Summit Talks." The editorial begins by welcoming the possibility of holding the South-North summit talks. Then it notes that "the government must prudently consider North Korea's true intention" on holding the summit talks. The editorial continues to point out "Kim Il-song's dualism" noting that this proposal may only be a disguised will for peace. Noting that originally summit talks are held when about 90 percent of the pending issues between the countries concerned are resolved by the high-ranking working-level officials, there are prerequisites to be solved before holding the summit talks. It also notes that without solving the various prerequisites, the summit talks will only be for propaganda use and that it may only be a "trap," thus giving disappointment to the people. The editorial concludes by urging the government to solve prerequisites and the United States to delay the third round of DPRK-U.S. talks until complete and thorough nuclear inspections are carried out.

The moderate TONG-A ILBO publishes on page 3 an 800-word editorial entitled "The Anticipated South-North Summit Talks." Noting that "a new chapter can be opened in resolving the nuclear issue and reconciliation and cooperation between the South and North can be achieved" if the South-North summit is realized, the editorial elaborates on expectations for holding the summit. The editorial notes that it welcomes the summit talks but that at the same time it notes that this matter must be "observed with prudence." Noting the subtle timing for the proposal of the summit talks, the editorial points out that this may be a "tactic" for North Korea to escape from its difficult situation. The editorial concludes that the ROK must recognize the true intention of Kim Il-song's proposal for the summit talks and take prudence.

The pro-government SEOUL SINMUN publishes on page 3 a 900-word editorial entitled "Meeting Between the Summits Has a Great Significance." The editorial starts off by welcoming the possibility of holding the South-North summit talks. Noting that a working-level contact will be held soon for the summit talks, the editorial expresses the hope that the summit talks can be realized soon from "the level of national interest." It continues to elaborate on why it is necessary to hold the summit talks, emphasizing that "it will play a decisive role in creating an atmosphere" to resolve pending issues between the South and North. However, the editorial expresses worry over the true intention of Kim Il-song in his proposal for the summit talks, noting that the ROK must have a thorough understanding of his true intention. The editorial concludes by saying that since nuclear transparency is the most important pending issue in South-North relations, it will be desirable to guarantee nuclear transparency and then hold the summit talks.

SEOUL SINMUN publishes on page 5 an 800-word article by reporter Yang Sung-hyon on the ROK Government's position regarding the possibility of holding the South-North summit talks. The article says that if the South-North summit is realized, it will be a decisive motive in resolving the nuclear issue. While noting that the exchange of special envoys of the South and North must be realized to discuss the holding of the summit talks, officials view that if such dialogue is resumed, it will be carried out actively to realize the summit talks. Noting Kim Il-song's message to hold summit talks, which was conveyed to the ROK by Former U.S. President Carter, the paper says officials view that there is a 50-50 chance that Kim Il-song is sincere.

The independent moderate MAEIL KYONGJE SINMUN publishes on page 2 a 1,000-word article by reporters Kim Se-song and Yi Tong-chu on the significance and prospects for holding the South-North summit talks. The article begins by saying a new phase has opened in South-North relations due to the possibility of holding the South-North summit talks. Noting that Chongwadae, the presidential office, conveyed to Mr. Carter its acceptance of the summit talks, it seems that the "Carter channel" will be used for the time being. The article notes that if Kim Il-song has the will to hold the summit talks, it first means that he will face all South-North issues including the nuclear issue "head on," and second, it may only be a "gesture to temporarily escape the nuclear crisis." The article notes that what cannot be overlooked is the fact that the proposal for holding the summit talks may be an "appeasement strategy" to "resume dialogue with the United States." The article concludes by urging the government to examine this matter with prudence.

The moderate KYONGHYANG SINMUN publishes on page 3 an 800-word editorial on the North-South summit talks. The editorial appraises that the proposal evokes much expectation particularly because the two presidents agreed to hold the talks "anytime, anywhere, and without any conditions." The editorial also expressed suspicion because of North Korea's past record of breaking various promises and agreements. The editorial notes that whether or not Kim Il-song's proposal is a strategy to escape from the current situation should be determined by how faithful the North Korean attitude is in the forthcoming working-level contacts to prepare for the summit talks. The editorial reaffirms that "the working-level contacts should not be used to delay sanctions."

KYONGHYANG SINMUN also publishes on page 3 a 1,500-word article by reporter Kim Chung-il on the background and prospects of the North-South summit talks. The article analyzes that if Kim Il-song made the proposal as an extension of his remarks regretting the rupture of past summit talks proposals, it will be a mere appeasement gesture. However, if Kim Il-song is determined to hold the talks, the article analyzes that the proposal will be based on North Korea's "political and economic interests" because "North Korea needs South Korea's economic aid to restructure its economy which is essential to maintaining political stability."

Turning to the agenda of the summit talks, the article believes the nuclear issue cannot be resolved in a single round of talks because the North will not give up the nuclear development at once while the South wants complete transparency through more inspections, even though the United States might be satisfied with North Korea's merely remaining in the Nuclear Nonproliferation Treaty. The article further warns that the ROK Government should be prepared to make a decision when North Korea requests the withdrawal of U.S. troops from South Korea during its negotiations with the United States.

KYONGHYANG SINMUN publishes on page 4 a 1,000-word article by reporter Yi Sung-chol on the significance of Kim Il-song's proposal for talks. The article finds it significant that "North Korea recognized the ROK as a dialogue partner" making a concession from its previous stance that the nuclear issue can only be resolved between the North and the United States. The article hopes that the dual communications channel will give new possibilities of resolving the North Korean nuclear issue because it will be easier for the United States to accept the package deal proposed by the North if the North-South summit talks are realized. The article anticipates that "the North Korea-U.S. talks will still be the core channel for the nuclear issue while the North-South summit talks could discuss mutual inspections [sangho sachal] and the compliance of the joint declaration on the denuclearization of the Korean peninsula."

The article points out that a key matter is the verification of North Korea's past nuclear activities. The article is concerned that the nuclear issue will again face a crisis if North Korea refuses to discuss the assurance of transparency during negotiations with the United States.

The left-leaning HANGYORE SINMUN publishes on page 3 a 900-word editorial entitled "Expecting an Honest Meeting for the Nation." The editorial appraises the proposal as "the most tangible possibility" different from previous official and nonofficial North-South contacts. The editorial says that previous dialogue proposals by both North and South Korea, including those by President Kim Yong-sam, were political strategies to solidify domestic positions, and hopes that "this time, the summit talks will not be ruptured by collateral conditions irrelevant to the essence of the talks."

HANGYORE SINMUN also publishes on page 3 a 1,100-word article by reporter Chang Chong-su on the background and prospects of the summit proposal. The editorial analyzes that Kim Il-song is truly pursuing improved North-South relations because he proposed the summit talks "when the communications channel with the United States was not closed but opened by Former U.S. President Carter's visit."

The article also analyzes that the United States pressured both North and South Korea behind-the-scenes to improve relations and that the North proposed the summit talks to prove their will to ease tensions.

The article expects many obstacles on the way to realizing the summit talks because the ROK Government has not given up on UN sanctions and would not ignore North Korea's possession of nuclear weapons for the sake of improved relations.

The moderate CHUNGANG ILBO publishes on page 3 an 800-word editorial entitled "Prerequisites of North-South Summit Talks." The editorial notes that the proposal could be a positive one if there are no political calculations which have always been the obstacle of North-South dialogue. The editorial also welcomes the proposal as an opportunity for the ROK to take the initiative in resolving the nuclear issue.

Recalling how "inefficient" previous working-level contacts for the exchange of special envoys were, the editorial urges the government to be fully prepared to carry out working-level contacts for the summit talks. The editorial also warns the government of the "strategic aspect" of the proposal. Noting that North Korea made the proposal through a third party, Carter, the editorial analyzes that North Korea may have made the gesture of summit talks to expedite DPRK-U.S. contacts.

CHUNGANG ILBO also publishes on page 3 a 1,000-world article by reporter Kim Hyon-ik on the prospects of the summit talks. Admitting that Kim Il-song's proposal has blurred the focus of the nuclear issue and that everything is going as Kim Il-song intended, the article expects that tension on the Korean peninsula will be alleviated for the time being. The article states that if North Korea tries to make little progress during the working-level contacts, that will prove that the proposal was a strategy to avoid sanctions. The article reports that "ROK specialists on North Korean affairs are expressing concerns that the sudden variable of Carter's visit might have wasted all the efforts to adopt UN Security Council sanctions against North Korea."

'Thorough' Preparations Ordered

SK2006004094 Seoul YONHAP in English 0036 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—President Kim Yong-sam ordered thorough preparations for a possible inter-Korean summit Monday, calling it an event "that may change our post-liberation history."

Kim made the instructions after a unification-related ministerial meeting was held earlier in the day chaired by Deputy Premier Yi Yong-tok.

The chances of an inter-Korean summit—the first ever—are at an all-time high with the top leaders of both South and North Korea agreeing in principle to the meeting.

Deputy Premier Yi pointed out that the government held a series of meetings over the weekend to lay out specifics for the South-North summit.

"The meeting participants are very much in tune with each other, allowing for rapid progress," said Yi.

Seoul Notifies Allies, UN Council

SK2006055294 Seoul YONHAP in English 0542 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—South Korea notified its allies and members of the U.N. Security Council Monday of its decision to propose a contact with North Korea for an inter-Korean summit.

Foreign Ministry spokesman Chang Ki-ho said the notices were sent to Japan, the United States, the permanent members of the Security Council and the International Atomic Energy Agency (IAEA) right after the morning's unification-related ministers' meeting decided in favor of the proposal.

Chang again welcomed the agreement on a South-North summit, saying that it moves forward inter-Korean relations in dealing with the nuclear problem.

"The significance lies in the fact that the South Korean Government will secure a role," said the spokesman.

He predicted that the talks leading up to the inter-Korean summit will progress in pace with the third round of high-level dialogue between Pyongyang and Washington, adding that North Korea's intentions must still be confirmed beforehand.

If it comes off, the summit will serve to revive the activities of various inter-Korean committees, including the joint Nuclear Control Commission to implement simultaneous nuclear inspections between the two sides.

"Inter-Korean dialogue will progress in a mutually complementary fashion with North Korea-U.S., North Korea-IAEA dialogue," Chang said. "South Korea and the United States will keep in close consultation."

More Economic Cooperation Expected

SK2006025694 Seoul YONHAP in English 0247 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—The government will hold ministerial meetings to take prompt and appropriate steps toward South-North economic cooperation, which is expected to expand rapidly with the prospective summit between the two Koreas' presidents.

Relevant authorities said Monday the government would probably start consultations among related ministries this week to accelerate internal economic exchanges that have ground to a standstill because of the row over North Korea's nuclear program.

A government official said the first stage of meetings would involve the National Unification Board (NUB), the Economic Planning Board (EPB) and the Trade, Industry and Energy Ministry, but more detailed consultations would come after the summit and an ensuing premier-level meeting.

"After the summit and premiers' meeting," he said, "the NUB will map out the overall framework for the political, social, economic and cultural fields and then the issue of internal economic cooperation will be discussed intensively."

Southern business circles, which have been skeptical about internal cooperation because of the nuclear wrangling, will soon resume their investment programs for North Korea as well as indirect and processing-on-commission trade.

If the presidential summit is realized and obstacles to South-North economic cooperation are removed, the private sector in particular is expected to accelerate direct internal trade, joint investment and visits to North Korea by businessmen and technicians.

Detailed projects in North Korea that have been planned by South Korean business circles include an advance into the industrial zones of Rajin and Sonbong, construction of the Nampo industrial complex, and investment in the Kimchaek iron and steel factory.

Earlier the government disclosed a three-stage economic cooperation program, with the first phase pushing such demonstrative projects as construction of the Nampo industrial complex. The second stage was designed to activate exchanges in the mineral, agricultural, fisheries and communications sectors. The third stage was intended to organize a South-North Korean economic community on the basis of the previous stages.

If the South-North meetings can agree on mutual opening of economic offices, the government is expected to expedite institutional means of expanding internal economic cooperation such as protection of industrial property rights, an investment guarantee accord, a dual-taxation prevention agreement and establishment of open accounts to settle trade balances.

In addition, talks on opening more direct sea routes are likely to support such economic cooperation. Last April, a direct sea route linking Pusan and Chongjin was formally opened and Inchon and Nampo ports were utilized as a virtually direct sea route between the two Koreas. At the same time, other direct routes linking Sokcho and Chongjin, and Pusan and Rajin are likely to be opened formally.

In the meantime, the government is expected to resume preparations for restoring rail lines that have been cut off since the 1950-53 Korean war. The railways under study include lines linking Seoul-Uiju and Seoul-Wonju.

With the expansion of mutual exchanges, opening of air routes between Kimpo and Sunan will become a vital project.

Issue 'Meticulously Reviewed'

SK2006114294 Seoul YONHAP in English 1132 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—President Kim Yong-sam said on Monday his government has in fact prepared for a South-North summit since long ago in expectation of a North Korean proposal for summit talks.

"This is why I readily accepted Kim Il-song's offer for a summit as conveyed by former U.S. President Jimmy Carter over the weekend," the president said.

President Kim made the remarks over a luncheon he hosted at Chongwadae [presidential offices] for a group of 97 bureau directors of non-economic government offices.

He said the South proposed to have a working-level meeting on Tuesday next week after the issue was meticulously reviewed over the weekend and Sunday morning.

"We offered to them to have a working-level meeting on June 28 since we don't need to have complex talks and all we have to agree to is the place and time (of a summit)," Kim said.

He was quick to add, however, that the South cannot tolerate North Korea going nuclear. "There should be no nuclear arms on the Korean peninsula under any circumstances," the president stressed.

Plans 'To Materialize' Talks Noted

SK2006104694 Seoul YONHAP in English 1039 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—Deputy Prime Minister Yi Hong-ku said on Monday his government intends to materialize the proposed South-North summit meeting at an early date through speedy preliminary talks. "We will try to have working-level preparatory talks in a way that won't be bound by agenda topics," Yi said.

Testifying before the National Assembly Foreign Affairs and Unification Committee, Yi said that in the past, many proposed high-level inter-Korean talks failed to take place due to haggling over agenda topics. He said the South cannot disregard the North's nuclear past, adding, "This stand of ours was explained to former U.S. President Jimmy Carter and our understanding is that Mr. Carter duly conveyed it to the North Koreans during his recent visit to Pyongyang."

Yi who is also National Unification minister observed that a third-round U.S.-North Korea high-level meeting could take place earlier than expected if the Carter-Kim Il-song agreement could be made a governmental agreement between the two countries.

On the issue of supporting the North's construction of light-water reactors, Yi said the South can agree to such support only after North Korea made clear a plan to give up their nuclear development. The construction of two 900,000kw-class light-water reactors North Korea wishes to have would cost about 3.6 to 4 billion dollars, Yi said.

Unification Minister Interviewed

SK2006145094 Seoul KBS-1 Television Network in Korean 1220 GMT 20 Jun 94

[Interview with Yi Hong-ku, South Korean deputy prime minister and minister of unification appearing in split screen from unspecified place, by KBS anchorman Yi Yun-song, in studio—live or recorded]

[Text] [Anchorman Yi Yun-song] How are you, Minister Yi? President Kim Il-song's recent proposal for a summit was made through a third person, namely former U.S. President Carter, not through official channels. What is behind the government's assessment that official verification of the North's intention is not necessary?

[Minister Yi Hong-ku] If a proposal is related to internal relations or is put forward between two different countries, it should be made through diplomatic channels and be examined through official means. However, as you know, this is related to an international issue of the nation, and there is no fixed procedure for this kind of event.

We assessed that the North's intention conveyed by former U.S. President Carter is relatively precise. Therefore, we decided to push ahead for the talks.

[Anchorman Yi] As you, Mr. Minister, pointed out earlier, acceptance of the proposal for a summit and our proposal for holding a working-level contact for the summit have taken place simultaneously. Is there any special reason for us to propose first a working-level contact?

[Minister Yi] As all of our people may agree, the situation on and around the Korean peninsula is very strained. This being the case, we think that if one decides to resolve all problems, including the strained situation, through summit talks, we should push ahead with such talks as soon as possible. This is precisely the reason we put forward the proposal first.

Besides, we maintained the position that all problems can be sufficiently discussed between the top leaders of both sides. Therefore, there would be no serious obstacles in preparing the summit.

[Anchorman Yi] How does the government grasp the true intention of the North side in proposing a North-South summit at this point?

[Minister Yi] As we know, former U.S. President Carter recently visited North Korea. However, in view of the international atmosphere and of the atmosphere on the Korean peninsula, it is highly likely that the North Korean side drew a conclusion that a resolution of all problems would be difficult without direct dialogue between the North and South, which are the very relevant parties.

[Anchorman Yi] How will you deal with the issue of nuclear transparency in the future?

[Minister Yi] The issue of nuclear transparency is an important, inevitable issue for a solution to the nuclear problem. Therefore, this issue will always remain as an important one in the future as well. However, we do not intend to raise this issue during the forthcoming preliminary contact because we want to advance the contact to a summit without wrangling with each other over agenda items, just as in the past. This is why we do not directly mention the issue.

[Anchorman Yi] People think that a summit without any substantive result and a summit merely for the sake of a summit is not desirable. What we are most worried about is that the summit may result only in giving time to North Korea for its suspected nuclear development. How do you view this?

[Minister Yi] Such worries are quite natural. However, as our president has mentioned many times, our position is not to hold talks merely for the sake of talks. The very situation we are facing today necessitates talks between the North and the South. This is why we are pushing ahead with the talks.

Who would benefit from these talks is an issue that we should cautiously examine. However, we believe that holding talks would be beneficial to both sides and to our nation.

[Anchorman Yi] The world, although welcoming it, is generally showing a cautious reaction to the North-South summit proposal. How is the government analyzing external conditions for a summit?

[Minister Yi] History shows that summits were not successful on the Korean peninsula despite brisk discussions for their realization. This being the case, no one can be sure about the success in talks. This is why some people have expectations and hope for the talks while the others are worried about them.

Nevertheless, we believe it is right that at a time when the Cold War has ended, both, the North and South should directly seek means for the resolution of problems based on the principle for solving problems by those who are directly concerned. This is the position of our side in pushing for the talks.

[Anchorman Yi] Thank you for your interview today.

President, U.S. Senators Talk

SK2006070794 Seoul YONHAP in English 0659 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—President Kim Yong-sam stressed Monday that a summit between

South and North Korea must be held to resolve the two sides' problems, presidential spokesman Chu Ton-sik quoted the president as saying.

While meeting U.S. Senators John McCain (R.-Ariz.) and Phil Gramm (R.-Tex.) to discuss the political situation on the Korean peninsula, including the nuclear dispute and military cooperation between South Korea and the United States, Kim said: "It is very important for the South and North to make mutual inspections (of each other's nuclear facilities) in the end, although discussions are under way on the nuclear issue between the United States and the International Atomic Energy Agency (IAEA)," according to Chu.

President Kim was also quoted as saying that his government has been preparing for the South-North summit meeting. "We sent a telephone message (to the North) this morning, to the effect that the two sides should discuss the time and place on the grand principle of holding a South-North summit meeting, because we think there's no need to delay a summit."

Senator McCain, meanwhile, said he was convinced of the importance of maintaining close military cooperation between Seoul and Washington after touring the Korea-U.S. Combined Forces Command, according to Chu.

McCain reportedly said the American forces have a heightened awareness of security, which had seemingly weakened since the end of the Cold War, adding he felt that the U.S. Second Infantry Division was the strongest in the world.

Congratulating Kim for carrying out vigorous reform, McCain voiced admiration for the president's popularity. The senator praised Kim's motto of "clean government, strong economy" and promised to reflect the motto in the Republican Party platform in 1996, according to Chu.

Share Prices Jump in Anticipation

SK2006084794 Seoul YONHAP in English 0840 GMT 20 Jun 94

[Text] Seoul, June 20 (YONHAP)—Share prices jumped sharply at the Korean Stock Exchange on Monday at the report of a possible South-North summit meeting.

The leading composite stock price index was up 16.31 points, or 1.76 percent, over the weekend to finish at 942.50.

Besides the summit issue, the stock authorities' decision to allow three Hyundai firms' issues to be transacted off-board contributed to the overall surge.

Volume was large with 49 million shares changing hands at 900 billion won (1,116.62 million U.S. dollars).

Advancing issues overwhelmed decliners 632 to 181 with 76 others remaining unchanged. Mining and insurance were only major issues that slid. The rise of construction, trade and banking issues was especially sharp.

U.S. Policy on DPRK Nuclear Issue Discussed

SK2006094694 Seoul HANGUK ILBO in Korean 17 Jun 94 p 5

[First of a two-part feature article by correspondent Yi Sang-sok from Washington: "Simulated Scenario: Dialogue or War?"]

[Excerpts] A ghost of rumors about a crisis on the Korean peninsula has been dancing in the United States. It seems that the ghost has issued "a general mobilization order" to the people's Cold-War thoughts that had faded since the collapse of the Soviet Union.

The U.S. high-altitude reconnaissance plane Blackbird (SR-71) that disappeared in 1990 is getting ready to be put into commission again. The voice demanding the cancellation of the order to withdraw tactical nuclear weapons issued by former U.S. President George Bush while he was in the office is resounding fiercely. In addition, some people even insist on a limited attack on North Korean nuclear facilities, and it seems that the attack would not be a limited one.

As described above, the heat of the speculation on a crisis on the Korean peninsula that has spread in the United States is increasing in proportion to the cooling speed of the fuel rods taken out by North Korea from its five-megawatt reactor in Yongbyong. This is a so-called "bandwagon phenomenon".

The U.S. doves, who originally supported a solution to the North Korean nuclear problem through dialogue, are one by one leaving their nest for that of the hawks. They have decided to no longer put up with North Korea's attitude after watching a series of measures it took. The actual development of the situation has made U.S. controversialists, who were denouncing the insistence on attacking North Korean nuclear facilities and on the inevitability of a second Korean war as a great mistake, change their position. [passage omitted]

It is interesting that leading U.S. public opinion circles on the North Korean nuclear issue make it impossible for people to categorize their view as conservative or progressive. [passage omitted]

It is clear, however, that every inch of the arguments by Americans on the North Korean nuclear issue are based on their own country's interests. Without mentioning some people's viewpoint that a scheme is being plotted, it can be said there is a common view that the United States will not hesitate in bringing about a war [chonjaengul pulsahal kosiranun ke sangsik] if it believes that raising the North Korean nuclear issue as an international crisis is advantageous to itself [segyejok wigiro pugak sikinun kosi yuikhadago pandandoemyon]. The

Clinton administration, however, does not seem to have decided to fight with North Korea to the end.

At present, the hard-liners are leading the main current of the U.S. policy toward North Korea. Accordingly, I think it is a reasonable view that a stick rather than a carrot is envisaged in the current U.S. scenario for resolving the North Korean nuclear issue. Although the stick policy might have been brought about by North Korea itself, it will certainly worsen the crisis on the Korean peninsula for the time being. No one can predict whether the crisis will rapidly increase or decrease at any point, or will go in a direction that all of us are concerned about. The North Korean nuclear issue, that has been dragged out for more than three years, is now on the edge of a precipice.

'New Phase' of DPRK Nuclear Issue Viewed

SK2006101194 Seoul HANGUK ILBO in Korean 18 Jun 94 p 5

[Second of a two-part feature article by Chong Pyong-chin: "Simulated Scenario: Dialogue or War?"]

[Excerpts] Rapid progress is being made in resolving the North Korean nuclear issue. The North Korean nuclear issue has entered a totally new phase as North Korea and the United States are moving toward an agreement on dialogue with "special envoy Jimmy Carter" as a mediator. [passage omitted]

The United States expressed its willingness to suspend efforts for UN sanctions on North Korea and to hold the third round of talks if North Korea returns to its previous status; if it returns to the International Atomic Energy Agency [IAEA] and does not withdraw from the Nuclear Nonproliferation Treaty. Therefore, it seems that if North Korea accepts the U.S. proposal, the North Korean nuclear issue will "run the course of dialogue" as opposed to the "accelerating sanctions" situation that prevailed two days ago. [passage omitted]

Accordingly, how North Korea will prove its nuclear transparency and to what extent the United States will improve its relations with North Korea are expected to be focused in the discussions at the third round of North Korea-U.S. talks, if they are held.

With regard to the verification of North Korea's nuclear transparency, the United States will demand special inspections [tukpyol sachal kkaji] by the IAEA, and North Korea will insist that the nuclear development will naturally be frozen as a result of the abolition of its existing nuclear facilities and by the U.S. assistance in the light-water reactor system. This difference in opinion between North Korea and the United States will probably cause another tug-of-war. It is expected, however, that a clue to solving the problem will be found in the agreement between Jimmy Carter and President Kim Il-song on "building mutual trust".

The extent to which the United States will proceed with discussions on improving its relations with North Korea will totally depend on North Korea's attitude. The United States has said that it will improve relations with North Korea to a considerable extent if North Korea proves its "100 percent innocence" in regard to the development and possession of nuclear weapons. The United States and our government have completed coordination on this position. [passage omitted]

The ROK and the United States have agreed that "when the third round of North Korea-U.S. talks is held, South-North dialogue for denuclearizing the Korean peninsula should be held, and this means South-North bilateral inspections." This reflects our position that North Korea's nuclear transparency must be verified, not only by the IAEA, but also by our government. It is the line drawn by the policy of our government, which is one of the parties most directly concerned with the North Korean nuclear issue, but has kept away from negotiations on the issue, and it is its due demand. [passage omitted]

We should also pay attention to the possibility that, as the supply of light-water reactors require a long time, several years, and a budget of several trillion won, North Korea will demand the fourth and fifth rounds of North Korea-U.S. talks while insisting on "freezing its nuclear development after the supply of light-water reactors." In preparation for this possible situation, the ROK and the United States are likely to put on hold [yuye] the draft resolution on UN sanctions on North Korea, rather than abolish it. The policy of "dialogue for sanctions and sanctions for dialogue" will inevitably be the basic principle that the ROK and the United States should adhere to until the North Korean nuclear issue is completely resolved.

Seoul 'Embarrassed' by U.S. Change in Attitude

SK1806042694 Seoul KYONGHYANG SINMUN in Korean 18 Jun 94 p 3

[Article by Yi Sung-chol]

[Text] As North Korea's nuclear issue has abruptly entered a dialogue phase with the talks between North Korean President Kim Il-song and former U.S. President Jimmy Carter as momentum, the government is outwardly showing a very prudent attitude, although it has become very embarrassed.

At the Unification Security Coordination Council meeting held on 17 June, the government showed a different reaction to the results of the Kim-Carter talks from that of the United States. The government stated: "We will fine-tune our position after studying former President Carter's talks with Kim." This reflects the complicated stance of the government.

The government is showing such a reserved attitude because the government feels as if it had been hit on the back of the head—because the United States, which has so far led the moves for the imposition of sanctions, has abruptly changed its attitude—while attempting to keep pace with the U.S. policy.

Since North Korea unilaterally replaced fuel rods at the five-megawatt reactor, the United States has virtually attached preconditions to the realization of the third round of North-U.S. talks by stressing that "there should be an advance in the negotiations between North Korea and the International Atomic Energy Agency [IAEA]" before the third round of talks are held.

As soon as the substance of the talks between former President Carter and Kim Il-song was made public, U.S. President Clinton and Assistant Secretary of State Gallucci have made the holding of North-U.S. talks a fait accompli, while responding affirmatively to North Korea's proposal. In this connection, some officials are even speculating if there have been secret contacts between the United States and North Korea.

One government official in authority stated: "North Korea's proposal is a new one in terms of its intention to allow IAEA inspectors to remain in North Korea and to guarantee the operations of monitoring devices. A top priority for us is to certify what else is included in the proposal."

The government is still unclear about the following regarding North Korea's proposal: the substitution of a light-water reactor; the return to safeguards regulations of the Nuclear Nonproliferation Treaty and the IAEA, including special inspections [tukbyol sachal]; and a freeze on nuclear development.

The government feels if North Korea's promise turns out to be true, it has no choice but to agree to the holding of the third round of high-level North-U.S. talks.

Under the circumstances in which the United States has virtually made the holding of North-U.S. talks a fait accompli, the government seems to have taken such a position on the basis of its own judgment that, although it is somewhat unbecoming, the government will have to follow the United States if the proposal includes "special inspections," in which North Korea's past nuclear development will be uncovered; and "a freeze on nuclear development," in which the future and the present are guaranteed.

As a result of the abrupt turnaround of the United States, the government has been mired in a dilemma. Some officials believe the government should distance itself from the United States when dealing with North Korea's nuclear issue in the future. Therefore, it is expected that the turnaround of the United States this time will serve as a factor for conflict between the ROK and the United States during the UN Security Council debate on sanctions in the future.

One official concerned stated: "This dialogue phase will serve as a turning point to help escape from another crisis, rather than as a decisive opportunity for the settlement of the situation. We should reexamine the ROK-U.S. cooperative system this time, to avoid North Korea's nuclear development from becoming a long-term issue."

'Disagreement' With U.S. Viewed

SK1906044094 Seoul MUNHWA ILBO in Korean 18 Jun 94 p 2

[Article by Kim Chae-mok]

[Text] Signs of disagreement are emerging between the ROK and the United States in fine-tuning their policies to solve North Korea's nuclear issue.

It is obvious that the United States has begun mapping out a policy of "offensive negotiations" on the basis of the result of "the Carter-Kim Il-song talks." In contrast, our government is taking pains to downgrade the significance of the result of Carter's visit to the North, merely repeating its previous attitude of pushing for both "dialogue and sanctions."

When U.S. President Clinton's "willingness to hold high-level North-U.S. talks" was made public on 17 June, the officials who are deeply involved in the government's policy-making process did not hide their displeasure. They said: "We do not know why the United States has made public its 'willingness to have talks' so early without officially confirming President Kim Il-song's remarks." The officials expressed their concern by stating: "The United States seems to be attempting to seek a turnaround in its domestic political situation by heightening the dramatic effects of its efforts to solve North Korea's nuclear issue. The United States needs, first, to closely examine if North Korea is possibly using tactics to gain time."

Our government continues to be agonizing over that it is neither easy nor reasonable to refute U.S. logic for "resuming talks."

It seems that our government's passive attitude originates from President Kim Yong-sam's "remarks consistently calling for sanctions against the North" and "his cynical attitude to Carter's visit to the North." Recently, President Kim determinedly stated: "There is no way to solve North Korea's nuclear issue other than sanctions." He has expressed his strong displeasure several times by stating: "The Kim Il-song regime will likely make bad use of Carter's visit to the North." As the strongly worded remarks by the head of state are still vividly remembered, it is not easy to highly appraise Carter's "go-between efforts" or to apply logic to a change to a dialogue phase.

At first, our government had asked that Carter's visit to the North be held in abeyance. Rejecting this, the United States notified our government that "he is visiting the North in a private capacity and is not carrying any official message from the U.S. Government."

This notwithstanding, as soon as the result of the Carter-Kim Il-song talks were made public on 16 June, U.S. President Clinton convened an emergency meeting and even issued "a special statement." Of course, before issuing the statement, the U.S. Government tried to save the ROK Government's face by going through the formality of making prior consultations via telephone talks between Secretary of State Warren Christopher and Foreign Minister Han Sung-chu on the early morning of 17 June [Korean time].

It is highly likely that the U.S. Government has also conveyed its position to North Korea through former President Carter that UN Security Council debate on sanctions against the North will be discontinued in case talks between North Korea and the United States resume. It would not be realistic to continue both dialogue and UN Security Council debate on sanctions at the same time. Of course, the U.S. Government immediately denied the news reports that former President Carter said that UN Security Council debate on sanctions will be discontinued if conditions are met. The prevailing opinion, however, is that this was aimed at relieving the ROK Government's embarrassment.

It has now been learned that the United States is studying in an affirmative manner the question of upgrading the high-level talks as requested by President Kim Il-song through Carter. Therefore, it seems that the dialogue between the North and the United States will proceed at a high pace. If the ROK Government continues to fuss about its delayed involvement in dealing with this issue, it will further be left out in the cold in North-U.S. negotiations.

'New Situation' Developing

SK1806144794 Seoul SEOUL SINMUN in Korean 18 Jun 94 p 4

[Article by reporter Yang Sung-hyon: "Government's View on the Carter-Kim Talks"]

[Text] The talks between Former U.S. President Jimmy Carter and North Korean President Kim Il-song seem to have frozen the developments concerning the North Korean nuclear issue. Whether a "green light" will be on is not clear yet. Still, signs are strong that a new situation is about to develop.

The ROK Government thinks the talks between Carter and Kim Il-song will pave the way for resuming dialogue between the United States and North Korea. Everyone seems to agree on this. This is because the government has left open its door to dialogue with North Korea even though it has tried to have the UN Security Council pass a resolution on sanctions. An official concerned said: "We have no reason to say no to the efforts to resolve the issue through the third round of U.S.-North Korea talks."

Still, the government is quite negative. An official concerned said: "We know North Korea better than the United States does. We must watch North Korea because it may change its attitude anytime." In this way, he did not slacken his wariness of North Korea.

The government convened a Unification and Security Policy Coordination Council meeting, during which no decision was made. This means the government decided to wait; it will make a decision upon hearing explanations from Carter, who will return to Seoul on the morning of 18 June.

The government assumes such an attitude because of its displeasure with the United States. It seems displeased, first of all, with the United States' attitude toward special inspections. The government worries that the United States may unilaterally seek to back away from the ROK-U.S. agreement to penetrate "North Korea's nuclear past."

The results of the talks show that holding the third round of U.S.-North Korea talks is conditioned on "North Korea's freezing its nuclear activities at their present level." If North Korea expresses its position on this issue through diplomatic channels, the third round of U.S.-North Korea talks will take place naturally.

ROK Government officials have refrained from commenting on the talks between Carter and Kim Il-song. This appears to be intended to express their displeasure. If a policy concerning a draft UN Security Council resolution on sanctions, which was released on 16 June, without a justifiable explanation, is changed, the trustworthiness of such policy will be questioned. Our government seems displeased because Carter was playing the role of more than President Clinton's special envoy, even though the U.S. Government repeatedly insisted he was visiting North Korea as a private citizen and even though our government expressed its worry that North Korea might make ill use of him.

The attempt by the United States to change its policy by taking advantage of Carter's visit to North Korea makes the ROK-U.S. cooperation system unstable. Foreign Minister Han Sung-chu and U.S. Secretary of State Christopher had three telephone conversations on the morning of 17 June and discussed the details of the talks between Carter and Kim Il-song. This was a deliberate attempt for the United States to win an understanding from our government and dispel our government's worry on the cooperation system.

Anyway, our government's efforts to push for the sanctions will likely go nowhere with making any gain. However, the possibility is high that North Korea, as it has done so far, will start mapping out and implement another strategy.

'Crack' in U.S., Seoul Strategy

SK1806015894 Seoul THE KOREA TIMES in English 18 Jun 94 p 2

[By staff reporter Kim Sung-pok]

know, from foreign news reports, what Carter told [DPRK] President Kim, what Kim told Carter, and what Carter and Clinton discussed over the telephone. They looked helpless. [passage omitted]

Some officials concerned said: "Our objective in pushing for sanctions is to hasten the resolution of the nuclear issue through dialogue. Therefore, resuming North Korea-U.S. dialogue is nothing strange." They also pointed out: "Nevertheless, North Korea's 'true intention' must be verified." Foreign Ministry officials concerned looked embarrassed all day long. They said: "The West may not be being fooled by a few words of Kim Il-song, which are nothing new." They also said: "We have no choice but to see how the United States will change until North Korea's intention is revealed at upcoming U.S.-North Korea talks." [passage omitted]

Carter Briefs President on DPRK Visit Result

SK1806081494 Seoul CHUNGANG ILBO in Korean 18 Jun 94 p 1

[By reporter Kim Hyon-ik]

[Text] President Kim Yong-sam exchanged views with former U.S. President Jimmy Carter on dealing with the North Korean nuclear issue upon the latter's return to Seoul on the morning of 18 June following a four-day visit to North Korea which included talks with President Kim Il-song on two occasions.

President Kim Yong-sam listened to former President Carter's explanations on the result of his visit to North Korea and emphasized that until President Kim Il-song proves his word, firm efforts based on the UN Security Council's [UNSC] sanctions against North must be maintained by the international society.

President Kim Yong-sam clearly stated that even if the United States accepts President Kim Il-song's views, it must be carried out at the same time as efforts for UNSC sanctions against the North.

Regarding the nuclear issue, President Kim Yong-sam pointed out that complete and thorough transparency must be guaranteed, and asserted that along with measures to freeze nuclear weapons in the future, past nuclear activities must be clarified.

While recalling that in the past, North Korea avoided the international society's pressure and sanctions through scheming tactics and promoted nuclear development while buying time, President Kim Yong-sam pointed out that we must not slacken the reins of caution until President Kim Il-song's true motives are confirmed.

President Kim Yong-sam repeatedly asked former President Carter not to be dazzled by President Kim Il-song's words.

Former President Carter explained that North Korea's will to accept special inspection [tukpyol sachal] includes its past nuclear activities. It was learned that former President Carter conveyed to President Kim Yong-sam the need for the ROK and the United States to provide assistance in switching to the light water reactor.

A high-ranking Chongwadae [presidential offices] official said that an overall assessment based on the former President Carter's remarks and the U.S. Government's material will be conducted. He emphasized: "Currently there is no change in the basic principle of completely securing North Korea's nuclear transparency and taking sanctions through the UNSC."

On 17 June, U.S. Ambassador to the ROK James Laney visited Chong Chong-uk, senior secretary for Foreign and National Security Affairs of the Presidential Secretariat, to confirm such matters and provided explanations to Senior Secretary Chong on the series of matters regarding former President Carter's visit to North Korea.

The official avoided further comment by saying, "As indicated by President Clinton's denial and definition of President Carter's remark in Pyongyang on the suspension of U.S. sanctions against the North, as personal opinion, the remarks remain merely reference material."

The official added that the White House has denied the validity of this remark of former President Carter through the ROK Embassy in the United States, on the morning of 17 June (Korean time).

Kim Chong-il Declines Carter's Meeting Request

SK1806104594 Seoul YONHAP in English 1017 GMT 18 Jun 94

["Carter-Kim Chong-il (replacement)"—YONHAP headline]

[Text] Seoul, June 18 (YONHAP)—North Korean leader Kim Il-song stressed the importance of high-level dialogue between Pyongyang and Washington, saying that is where the two sides could discuss ways to make North Korean nuclear program transparent, Former U.S. President Jimmy Carter told South Korean officials Saturday.

He delivered Kim's remarks in his talks with Foreign Minister Han Sung-chu after his arrival from Pyongyang, ministry spokesman Chang Ki-ho said.

Han was quoted as telling him that the North Korea-U.S. talks should be consulted between Seoul and Washington after the two countries confirm North Korea's true intentions.

Carter explained that reports about him telling Kim Il-song that the United States stopped discussing sanctions against North Korea was a result of misinterpretation, saying he meant the sanctions will be temporarily suspended on condition that the nuclear suspicion is resolved.

The ex-president and his wife returned to Seoul after a four-day visit to North Korea where he met twice with the senior Kim for extensive talks on the nuclear problem.

He came back with a message that Kim wants to directly meet South Korean President Kim Yong-sam "without any delay."

Meanwhile, Carter said he tried to meet also with Kim Il-song's heir-apparent son Kim Chong-il during his trip but was denied.

A South Korean official said Carter asked several times that he be able to meet junior Kim through North Korean officials but was refused, being told that Kim Chong-il did not have time.

DPRK UN Envoy 'Spurned' Gallucci's Remark

SK1806011394 Seoul KBS-1 Radio Network in Korean 0028 GMT 18 Jun 94

[YONHAP report from UN Headquarters]

[Text] On 17 June, James Rubin, a spokesman for the U.S. mission to the United Nations stated that consultations at the UN Security Council are proceeding without interruptions on the sanction resolution against North Korea.

Mr. Rubin was instructed by Madeline Albright, U.S. ambassador to the United Nations, to make this point clear.

This notwithstanding, Pak Kil-yon, North Korean ambassador to the United Nations, stated to reporters that the North Korean Government will not allow special inspections [tukbyol sachal] for two facilities suspected to be nuclear waste processing facilities.

On 16 June, U.S. Assistant Secretary of State Gallucci said: As a way to a general solution of the situation, North Korea expressed its willingness to completely accept safeguards regulations of the Nuclear Nonproliferation Treaty and the International Atomic Energy Agency, including special inspections.

North Korean Ambassador Pak Kil-yon spurned Assistant Secretary of State Gallucci's remarks, stating that this was either Mr. Gallucci's personal interpretation or his personal pronouncement.

Minister Praises U.S. 'Patience' With DPRK

AU1806162194 Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 Jun 94 p 3

[Krisztina Koenen report: "South Korea Remains Calm in Nuclear Controversy"]

[Excerpts] Seoul, 17 June—South Korea intends to react soberly to the conflict with the communist North. [passage omitted]

The government seems to agree that one must be prepared for anything and must react flexibly. At first, however, it seemed as if there were insurmountable differences between the ruling Liberal Democratic Party and the opposition Democratic Party: While the opposition had called for compromise with the North, including diplomatic recognition by the United States, in the interest of safeguarding peace, the government party seemed to rely on a policy of strength. The opposition assumes that this might have been supposed to be a gesture toward the military, which has gradually been out of politics under Kim Young-sam.

Strength and striving for peace are not irreconcilable, Foreign Minister Han Sung-chu, one of the main actors in the Korean drama, said in an interview with this newspaper. Unfortunately, one has had to recognize that in the past, progress with North Korea was possible only if one negotiated from a position of strength. Like President Kim, Han, too, thinks that the military situation on the Korean peninsula is not more threatening than in the past.

The possibility that North Korea will use nuclear weapons as soon as it has them cannot be ruled out. And even if this does not happen, nuclear weapons could become a means of permanent blackmail. Then one must expect the danger of military provocations with conventional weapons to grow. However, the greatest threat is emanating from the international proliferation of nuclear weapons, which is to be expected in any case, if North Korea has nuclear weapons.

Foreign Minister Han categorically rejected criticism from the ranks of the opposition Democratic Party that the United States has reacted excessively to the North Korean refusal to have its nuclear facilities examined by the IAEA and is pursuing its own interests in the region, which are not identical to the South Korean interests. On the contrary, Han says, the official policy of the United States is characterized by great patience. The U.S. Administration has done everything possible to promote negotiations, and for North Korea it would have been very easy several times to give in without losing face.

South Korea has always advocated direct negotiations between the two Korean states; however, so far this has been in vain. North Korea rejects direct negotiations by arguing that the South has not signed the cease-fire agreement which put an end to the Korean war. Han referred to agreements that were signed by North and South Korea, among others one in 1992 in which they state that they will not acquire nuclear weapons.

The South Korean Government has little enthusiasm about the alleged private trip by former U.S. President Carter to Pyongyang. The opposition, on the other hand, has welcomed Carter's efforts for mediation. If he returns with new proposals from Pyongyang, they will be examined thoroughly, Han Sung-chu said.

The foreign minister expressed satisfaction about the international support for South Korea. So far, China's role has been constructive, the government in Beijing has promoted the negotiations in its own way. He also expressed satisfaction about the close cooperation with Japan. Even though Japan might have problems with the Korean minority who feel committed to North Korea, he is sure, nevertheless, that the country will follow the measures which the United Nations will decide, within the limits set by the Japanese Constitution.

Han thinks that at the moment an international conference on the issues of this region would be of little help, even though he does not basically reject such an event. First, the current conflict must be settled and only then will there be the right time for international discussions, the South Korean foreign minister said.

Students' Attitudes on DPRK Issue Questioned

SK1906090094 Seoul TONG-A ILBO in Korean 17 Jun 94 p 3

[Editorial: "Problems in Consciousness of Present Situation"]

[Text] People's consciousness of the present situation must start from the fact that it is peculiar and delicate. Most people are stunned by the recent moves of some students and people from dissident groups and the working-class domain. They think that awareness of the current situation by some students and dissidents is quite different from that of the ordinary people. For example, at a time when the civil defense drill was being staged on 15 June, some college students staged a demonstration opposing the drill. Seeing this, the ordinary people silently asked them, "which nation are you the people of?" From this, we can note that there is no common factor whatsoever in the awareness of the situation between the ordinary people and some students and dissidents.

The differences in the awareness of the situation are prompted by differences of opinion regarding how one should accept the situation taking place recently within and around us. There is a great possibility that acts carried out on the basis of such biased viewpoints may spoil the way along which the nation's destiny should advance, thus creating a serious problem.

A democratic society is a many-sided society which is not absolutely dominated by one particular allegation or a certain sense of values. In a democratic society, various different allegations and different ways of thinking are respected by each other, and are coexisting. This being the case, many allegations and assertions are put forward over a certain issue and situation, and heated debates are to take place. This is precisely a characteristic and merit of a democratic society.

In view of this, one should not merely totally blame the act of opposing sanctions against North Korea and calling for a solution to the problem through dialogue by so-called dissident groups; the act of some college students who staged demonstrations opposing the civil defense drill; and the act of voting to strike in an attempt to solve the worker-management problem by the National Alliance of Subway Workers Trade Union.

However, the present situation is remarkably different from any other one. We would like to advise them to act by taking this fact into consideration. Today, in the face of a possibility of North Korea's nuclear armament, we are discussing whether we should leave this as it is or not. Whether North Korea comes to have nuclear arms or uses the nuclear issue merely as a diplomatic card, we will face the danger of war because of unexpected events that may break out in the course of pushing and pulling the nuclear problem. Therefore, we should refrain from acting to cause such a crisis.

We have often witnessed from past history that optimism and an appeasement policy in time of a crisis rather deepened and expanded such a crisis. We should not forget that allegations and acts recently taking place within ourselves may cause and fan the misjudgment of the North Korean authorities, and even the issue of labor-management dispute, which is not directly related to the nuclear problem, cannot be the exception.

At present we are discussing the nation's fate, and are facing a possibility of war, though it is not great. Concurrence in an awareness of the present situation is needed more urgently than ever before, and the sense of responsibility for the result of one's act and an awareness of the reality are required more keenly than ever before.

Recent Moves, 'Threats' by DPRK Reviewed

SK1806031294 Seoul YONHAP in English 0302 GMT 18 Jun 94

[Text] Seoul, June 18 (YONHAP)—The North Koreans continue making threats against the South, claiming current inter-Korean relations are on "the eve of war" and blustering that "South Korea will be melted away."

Such intimidating remarks against the South appear aimed at two things—solidifying the Kim Il-song-Kim Chong-il leadership and demonstrating to the world the North's preparedness for any emergencies.

Threatening that Seoul would taste "the flame of war," North Korea has created a war environment to calm the people's mounting discontent with the worsening economy and unite them firmly behind "great leader" Kim Il-song and "dear leader" Kim Chong-il.

Blaming South Korea and the United States for the tension that is fueling the possibility of war, Pyongyang asserts that the South and the Americans are plotting to invade North Korea on the pretext of the nuclear dispute.

Saying they will never yield to pressure from the globe's most powerful nation, the North Koreans want to show their chuche (self-reliance) ideology to the world while trying to ease international pressure for sanctions and buy the time needed to develop nuclear arms.

The North Korean people's discontent with their deteriorating economy poses a grave danger to the leadership of the Kims, who may try to overcome the problem through armed conflict, North Korea watchers here say.

The North earlier refused to permit full international inspections of its nuclear facilities and ruptured inter-Korean dialogue by threatening to wage war.

North Korean Foreign Minister Kim Yong-nam uttered a typical threat against the South during a recent visit to Ukraine: "South Korea should know that if a war breaks out, it would be melted way, going to rack and ruin and an eventual end."

Such intimidation was repeated in a statement issued by the Committee for Peaceful Unification of the Fatherland on June 6 and again during Ambassador Son Song-pil's press conference in Moscow on June 8.

Threats were also made in many commentaries carried by North Korea's propaganda organs.

The NODONG SINMUN, the official newspaper of the Workers' (communist) Party, blustered in an editorial in the June 13 edition that if war broke out on the Korean peninsula, the South would not be safe, according to NAEWOE Press, the official North Korea watcher here.

Along with uttering threats against the South, North Korea is constantly eulogizing Kim Chong-il, calling him "an unrivaled military commander."

Its propaganda organs claim Kim Chong-il predicted not only an early end to the Persian Gulf war but U.N. economic sanctions against Pyongyang.

North Korea's threats against the South may be intended to establish firm unity among its people. But in view of the fact that the intimidation comes from the highest levels, with even senior foreign service officials uttering threats, and that North Korea is in a war environment, such bluster may mean "a realistic danger" hangs over the Korean peninsula, analysts say.

Japan Asked To Aid Possible ROK 'Evacuation'

SK1906101394 Seoul KBS-1 Radio Network in Korean 0900 GMT 19 Jun 94

["YONHAP report from Tokyo"]

[Text] According to Japan's YOMIURI SHIMBUN, the United States requested Japan to support the emergency evacuation of foreigners in the ROK, including U.S. citizens, when Japan begins to transport Japanese people in the ROK back to Japan in the case of an extremely tense situation on the Korean peninsula.

YOMIURI SHIMBUN today quoted a Japanese Government source as saying that, upon the request, the government is hurrying the revision of laws concerning the Self-Defense Force to enable the Self-Defense Force to dispatch its aircraft for the transportation of foreigners. The Japanese Government is also reviewing the immigration and customs process for an emergency, and the deployment of naval vessels for mass transportation.

The source said when President Clinton had a telephone conversation with Japanese Prime Minister Hata on 14 June, President Clinton conveyed his intention to build up U.S. Forces in the ROK and asked Japan to help transport Americans.

Japan 'Prepared' To Help DPRK With Reactors

SK1906094094 Seoul KBS-1 Radio Network in Korean 0900 GMT 19 Jun 94

[Text] Japanese Foreign Minister Kakizawa revealed on 19 June that Japan is prepared to help North Korea transform North Korean nuclear facilities if North Korea accepts international nuclear inspections. Minister Kakizawa had an interview with NHK on 19 June and said that Japan is prepared to share the cost of transforming North Korean nuclear facilities into those producing less plutonium if North Korea resumes talks with Japan to normalize diplomatic ties and accepts international inspections on the suspected nuclear facilities.

Minister Kakizawa stressed that Japan's support of transforming the reactors should be decided through negotiations between Japan and North Korea and said that if the United States unilaterally requests Japan's support after having dialogue with North Korea, the Japanese Government would not be able to convince its people.

Kim Yong-sam, Japan's Hata Plan Summit Talks

SK1906013294 Seoul KBS-1 Radio Network in Korean 0100 GMT 19 Jun 94

[YONHAP report from Tokyo]

[Text] Japan's SANKEI SHIMBUN reported that President Kim Yong-sam and Japanese Prime Minister Hata will hold summit talks from 2 to 3 July at Cheju Island to discuss the North Korean nuclear issue.

Quoting a ROK Government source, SANKEI SHIMBUN reported today that the two countries decided to hold the summit talks to harmonize positions on the North Korean nuclear issue before the G-7 meeting slated to be held beginning 8 July in Italy.

SANKEI SHIMBUN explained that Cheju Island has been designated as the meeting place because it is recognized that it is important to follow Western-style summit diplomacy—holding frequent meetings in an informal atmosphere.

Burma

Minister Leaves for Environmental Meeting

BK1906162694 Rangoon Burma Television Network in Burmese 1330 GMT 19 Jun 94

[Text] A Myanmar [Burmese] delegation led by U Ohn Gyaw, minister of foreign affairs and chairman of the National Commission for Environmental Affairs, this afternoon left Yangon [Rangoon] by air to attend the ministerial level environmental conference of the Asia and Pacific Region, Eco Asia '94, to be held in (Saitama) in Japan from 21 to 23 June, at the invitation of Miss Toshiko Hamayotsu, director general of the Environmental Agency, minister responsible for the world environmental problems, and minister of the Government Office.

The Myanmar delegation was seen off at the Yangon airport by ministers, responsible personnel, and family members.

The members of the Myanmar delegation also includes U Thein Han, Myanmar ambassador to Japan, and Charge d'Affaires U Kyaw Tint Shwe.

Japanese Economic Mission Visits

Received by Khin Nyunt

BK1706102594 Rangoon Radio Burma in Burmese 1330 GMT 16 Jun 94

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council of the Union of Myanmar [Burma], received a visiting Japanese economic mission led by Mr. (Kazuo Haruna), vice chairman of the Keidanren entrepreneurs organization and chairman of the Marubeni Corporation, at the Defense Services Guest House No. 2 at 0830 this morning.

Received by Than Shwe

BK1706162894 Rangoon Radio Burma in Burmese 1330 GMT 17 Jun 94

[Text] Senior General Than Shwe, chairman of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma] and commander in chief of the Defense Services, received a visiting Japanese economic mission led by Mr. (Kazuo Haruna), vice chairman of the Keidanren entrepreneurs organization and chairman of the Marubeni Corporation, at the Defense Ministry's Dagon House at 1000 this morning.

Also present on the occasion were Lieutenant General Khin Nyunt, SLORC secretary-1; Brigadier General Abel, minister of national planning and economic development; U Ohn Gyaw, minister of foreign affairs; Thura U Aung Htet, director general of the Protocol Department of the Ministry of Foreign Affairs; and Mr. Takashi Tajima, ambassador of Japan.

More Economic Talks

BK1706163694 Rangoon Radio Burma in Burmese 1330 GMT 17 Jun 94

[Text] Visiting Japanese economic mission led by Mr. (Kazuo Haruna), vice chairman of the Keidanren entrepreneurs organization and chairman of the Marubeni Corporation, held talks with responsible departmental officials at the Hall of the International Business Center at 0800 this morning.

Also present on the occasion were Lieutenant General Chit Swe, minister of forestry affairs; Brigadier General Abel, minister of national planning and economic development; Brig. Gen. Maung Maung, minister of livestock breeding and fisheries; deputy ministers from industry-1, forests, agriculture, mines, livestock breeding and fisheries, energy, and construction ministries; and responsible personnel from the Yangon [Rangoon] City Development Committee.

Responsible personnel from the various ministries and departments explained extensively current departmental activities, foreign investment opportunities, and work schedules with the aid of brochures, pamphlets, and slides. Personnel concerned gave detailed explanations to queries raised by the visiting Japanese mission. The ceremony came to a close at 1700 in the evening.

Fighting Between Forces Reported

BK1906131294 Bangkok SIAM RAT in Thai 19 Jun 94 p 15

[Text] According to a report, 1,200 Burmese Government soldiers attacked the Khun Sa military stronghold in Chot Town on 17 June. They advanced to the center of the town and encountered strong opposition by Khun Sa soldiers.

At 1000 on 18 June, Burmese helicopters fired rockets and heavy machineguns at the Khun Sa force northeast of Chot Town. There were no reports of the battle or casualties.

Brunei, Malaysia & Singapore

Malaysia

Commentary on U.S. 'Rejection' of EAEC

BK1806110094 Kuala Lumpur Voice of Malaysia in English 0810 GMT 18 Jun 94

[Station commentary]

[Text] The rejection of the East Asia Economic Caucus, EAEC, by the United States comes as no surprise. Since it was mooted by Malaysia more than three years ago, the U.S. has firmly said no to the idea. However, what is most discouraging is that the reason for its opposition to the caucus did not hold water. America thinks that it will have a negative effect on the Asia-Pacific Economic Cooperation, APEC. It is difficult to accept such an explanation.

The EAEC has been proposed as a forum to propagate the free trade. Rather than posing any obstacle, it will complement APEC. As such, there is no basis to the claim. APEC was formed to sustain the growth and dynamism of the Asia-Pacific region. However, East Asian economies have evolved in a somewhat different manner. Their economies unlike that of the U.S. have become a success story. Therefore, the promotion of the EAEC is a natural step forward in view of the rapid pace of economic integration in the region. What is more remarkable is that the integration has been driven by market forces. In the process and without doubt, East Asia has become an important economic entity in the global scenario. As a mere consultative forum, the EAEC will provide a platform for these countries to discuss trade and other issues of common interests.

It is clear that from the very beginning, the U.S. was annoyed with the idea since it was left out. But, the U.S. is not part of East Asia. How can they be part of the EAEC. Nevertheless, the EAEC, which has now progressed into an ASEAN proposal, should look forward to its formation. Enough time has been spent on debating the pros and cons of the caucus. The time has come for the EAEC to get off the ground with ASEAN countries as the core members.

Of course, there are concerns that Japan may be reluctant to join up now that the U.S. has rejected the idea. But this should not be the case. As a major economic superpower in the region, Japan's membership will have a tremendous impact in enhancing the structure of the EAEC. At the same time, Japan has to realize that there is also much economic dynamism in the other potential members. They include emerging China, South Korea, Taiwan, and Hong Kong. Therefore, Japan should consider the benefits of an EAEC comprising the most dynamic economies of the world. No less important is the immense combined market opportunities these countries will offer. Another vital role is that it could provide the platform for member countries to act as a single unit in holding out the cause and principles of free trade in international trade negotiations.

It is clearly evident that the Western powers dominate issues and decisions in international trade talks. Moves to institutionalize APEC are an example of how strong countries dominate others. This should not be the case any longer. As successful economies, East Asian countries need to have a stronger voice in the international arena so that any decision arrived at is equitable to all. This being the case, the speedy establishment of the EAEC is highly justified. This is no time for listening to both the skeptics and the critics. It is time to act.

Mahathir Hopes Japan Not Influenced by U.S.

BK1706141794 Kuala Lumpur BERNAMA in English 0848 GMT 17 Jun 94

[Text] Kuala Lumpur, June 17 (OANA-BERNAMA)—Prime Minister Dr. Mahathir Mohamed, disappointed with the American stand against the proposed East Asia Economic Caucus (EAEC), hopes Japan will not be influenced by Washington.

Dr. Mahathir is also upset with the change in stand by the Clinton administration which had earlier said it would be open-minded towards the ASEAN proposal.

Foreign press reports said Washington's latest opposition to EAEC would make it difficult for Japan to accept ASEAN's invitation to join the caucus. But, Japan is waiting to be formally informed by the U.S.

Commenting on the development, Dr. Mahathir questioned the rationale of the U.S stand.

He said EAEC was not a trade bloc or formal forum but merely a loose establishment for economic cooperation.

We are very disappointed because, previously, the Clinton administration appeared more open minded, he told reporters after launching the World Islamic Civilisation Festival '94 here Friday.

Dr. Mahathir said Malaysia and its ASEAN partners had repeatedly explained that EAEC was not a trade bloc and they would continue to do so.

He also said Malaysia did not understand why EAEC was rejected. Is it because of our colour? He asked.

He said Malaysia would not allow the differences over the EAEC, originally mooted by Malaysia, to jeopardise its relationship with the U.S.

We will use our friendship to explain our stand (to the U.S.), he added.

Dr. Mahathir had said Malaysia-U.S. ties were set for the better after his meeting with President Clinton during his recent visit to the U.S.

Foreign Minister Datuk Dr. Abdullah Badawi said Malaysia hoped to get a clearer picture from Japan at the upcoming post ministerial conference of the ASEAN ministerial meeting in Bangkok later this month.

Mahathir Considers Muslim Movement Threat

BK1706141894 Kuala Lumpur BERNAMA in English 0857 GMT 17 Jun 94

[Text] Kuala Lumpur, June 17 (OANA-BERNAMA)—Prime Minister Dr. Mahathir Mohamed said Friday the Al-Arqam Muslim fundamentalist movement had reached a level that could threaten national security, but the government would be cautious in taking any action to reform it.

Chongwadae appeared embarrassed to find out that Carter's visit to Pyongyang, which was billed as private and self-initiated, can in no way be viewed in that context.

In his June 10 telephone conversation with President Kim Yong-sam who was leery of possible adverse affects of Carter's planned visit to the North, Clinton assured him that the trip to Pyongyang was self-initiated and had nothing to do with his administration.

Clinton also assured President Kim that he will not change his mind in pursuing sanctions against the renegade communist country whatever conciliatory message Carter may bring from Pyongyang.

President Kim has stressed from time to time that no dialogue will be sought with the North until the first-phase of U.N. Security Council sanctions are imposed. He has also added that this position was agreed to by the United States.

Since Pyongyang's unilateral refueling of the 5-megawatt nuclear reactor without monitoring by the International Atomic Energy Agency (IAEA), President Kim has held the belief that a lack of tough measures by Seoul and the international community has allowed the North to take the initiatives at every turn of developments. Now it is necessary to turn the tables around, stressing the need to impose sanctions.

However, yesterday's dispatches from Pyongyang quoting Carter and the quick response from the White

But this was not taken seriously by senior officials, it was said.

Officials on Lack of Information on Carter Talks

SK1806112394 Seoul CHOSON ILBO in Korean 18 Jun 94 p 2

[Article by reporters Kim Chang-ki and Pak Tu-sik: "ROK Government's Reaction to Carter's Remarks—Government Relies on Fragmentary Foreign News Reports and Keenly Feels a Lack of Information"]

[Excerpts] On 17 June, ROK Government officials concerned who had followed Former U.S. President Carter's visit to North Korea paid close attention to foreign news reports on details of his second-day talks in North Korea and the U.S. Government's reaction to them. Particularly, when at around 1800 that day they heard the news that the "sanctions process had stopped," a statement Carter reportedly made, they looked perplexed and were busy trying to confirm whether the report was true.

At 2000 that day the ROK Foreign Ministry released a commentary that casts doubt on the remarks. Immediately after that, the U.S. White House released a statement that says that "what Carter said was not true." The Foreign Ministry, then, said it had thought so in the first place. Chongwadae [presidential offices] looked relieved later that night when the White House notified it that the report was not true. The government officials concerned complained about, among other things, a lack of information throughout that day. It was difficult for them to

The prime minister said the people might wrongly conclude that the government was trying to suppress an Islamic movement if it acted because they did not realise that Al-Arqam's teachings had become deviant.

Commenting on the Islamic centre's disclosure that Al-Arqam was training its own militant force, Dr. Mahathir said action needed to be taken to check the spread of its influence.

We have to act effectively and, to be effective, we need the people's support, he told reporters after opening the World Islamic Civilisation Festival '94 here.

Towards this end, the most important thing was to make the people aware that Al-Arqam had deviated from ths true teachings of Islam, he said.

Mahathir on Ties With Israel, Amendments

BK1906155594 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 19 Jun 94

[Text] Datuk Sri Dr. Mahathir says the enforcement of the unanimously approved amendments to the UMNO [United Malays National Organization] constitution to curb money politics will not be back dated. However, the prime minister said that UMNO members who resorted to money politics in the party election last year might lose their chances to be chosen as Barisan Nasional's candidates in the next general election. The amendments will be taken into account in deciding UMNO candidates to be fielded under the Barisan Nasional ticket at the general election.

He said this at the news conference at the end of the special UMNO general assembly in Kuala Lumpur. Datuk Sri Dr. Mahathir, who is UMNO president said that the date of the enforcement will not be back dated to ensure fairness to the members. However, proof for the use of money in the UMNO election last year would be taken into account to ensure that the party's candidates who were clean would represent the Barisan Nasional in the general election.

The prime minister also that Malaysia is not yet prepared to establish diplomatic relations with Israel because the government is not convinced that the peace process between Israel and the Palestinians is settled.

Replying to questions from newsmen at the end of the special sitting of UMNO general assembly this evening, the prime minister disclosed that he has so far received three letters from Yitzhaq Rabin. In his letters to Datuk Sri Dr. Mahathir, the Israeli prime minister has indicated his desire to establish diplomatic ties with Malaysia.

Datuk Sri Dr. Mahathir said he has replied to all three letters and has also informed the cabinet about the correspondence. When asked to comment on the report that a prominent Malaysian businessman had visited Jerusalem recently, the prime minister said he is not aware of the visit. He also said that there is at the moment no defined punishment for such wrong. The government has also taken action against the Malaysian reporter who covered the peace talks between Israel and the Palestinians recently.

Officials Discuss Activities of Muslim Group

BK2006072694 Kuala Lumpur UTUSAN MALAYSIA in Malay 4 May 94 pp 1, 2

[By Siti Hatija Yusof]

[Excerpt] Kuala Lumpur, 3 May—As many as 220 Shi'ite Muslims led by a prominent local intellectual have been identified as a religious group actively propagating their faith to people living in urban areas.

Disclosing details of the group's activities, Zainal Abidin Abdul Kadir, chief of the Islamic Affairs Division of the Prime Minister's Office, said the group has made a Petaling Jaya housing estate its headquarters from which to launch its activities. He said the group is carrying out its activities by conducting lectures in private houses, giving sermons in mosques, and distributing brochures about their faith to the public.

"One of the campaigns the Shi'ite group waged called on members to practice contract marriages. They stressed that this type of marriage is justified in Islam because it was practiced during the time of the Prophet Muhammad.

"This group has also used the Prophet's name to attract followers because they know that devout Muslims who worship their Prophet will follow their teachings," he said to an UTUSAN MALAYSIA correspondent during an interview in his office today.

UTUSAN MALAYSIA today also disclosed remarks by Dr. Abdul Hamid Othman, deputy minister in the Prime Minister's Department, on the Shi'ite Muslim group's activities. These activities had earlier been limited to institutions of higher learning, but they have now begun to propagate their teachings to the general public in urban areas. Dr. Hamid noted the group's activities may split Muslims in Malaysia if left unchecked. [passage omitted]

Thai Fishermen Arrested Near Redang Island

BK1706131094 Kuala Lumpur Voice of Malaysia in English 0800 GMT 17 Jun 94

[Text] The Marine Division of the Fisheries Department has arrested 27 Thai fishermen in four trawlers for encroaching into Malaysia's exclusive economic zone. An official from the Terengganu State Fisheries Department said eight Thai fishing boats had been detained by the department so far this month.

In yesterday's operation, the department's patrol boats were [word indistinct] spotted 10 foreign fishing boats near Pulau Redang [Redang Island] in the morning. He told newsmen four boats were detained, while the rest escaped. He said the detained fishermen between the ages of 15 to 51 years from Songkhla and Pak Phanang in Southern Thailand were being held at the police station.

Ministry Signs Infantry Vehicle Deal

BK1706155394 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 17 Jun 94

[Text] The Defense Ministry has signed an agreement to buy 22 infantry fighting vehicles from Daewoo Corporation of South Korea. The signatories were the ministry's secretary general, Datuk Kamaruddin Sharif, and Daewoo President Ki Bum-yu. A ministry statement said the infantry vehicles were expected to be delivered next month or in August. The vehicles worth 32 million ringgit will be sent to the Malaysian Battalion in Bosnia-Herzegovina, bringing to 64 the number of such vehicles there.

Singapore

Minister: Need To Remain Active in Economy

BK1706154994 Singapore Singapore Broadcasting Corporation in English 1100 GMT 17 Jun 94

[Text] Trade and Industry Minister Yeo Cheow Tong has proposed a two-step approach to keep Singapore active in the global economy. He said the government will continue to come out with competitive strategy to further strengthen the domestic economy which will be the mainstay of the nation's prosperity. In addition, Singapore must create more economic space by becoming a partner of growth in the Asia-Pacific region.

Mr. Yeo was speaking at the Singapore International Chamber of Commerce luncheon. He said given the abundant regional opportunities, Singapore's external economy should grow rapidly to match that of Switzerland and the Netherlands. At present, our level of private investment abroad is only about two-thirds of these two countries. However, Mr. Yeo stressed that Singapore must ensure a right balance between the domestic and external pressures. The growth of the external economy should complement and not fall out with the domestic one.

Cambodia

Prime Ministers Depart on Indonesia Visit

BK2006071794 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 20 Jun 94

[Text] A high-ranking Royal Government of Cambodia [RGC] delegation led by Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, the first and second prime ministers of the RGC, left Phnom Penh at 0730 this morning on a three-day official visit to Indonesia—20-22 June—at the invitation of His Excellency [H.E.] Indonesian President Suharto. Accompanying the delegation was Prince Kromkhun Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation, and a number of other officials.

Seeing the high-ranking delegation off at Pochentong Airport were H.E. Sar Kheng, deputy prime minister and co-minister of the interior, and their excellencies the state ministers, officials, and diplomatic corps accredited to the Kingdom of Cambodia.

The visit is aimed at strengthening and expanding cooperation between the two countries of Cambodia and Indonesia. During the visit, it is expected that the two prime ministers will sign three documents, including a joint communique.

King Stresses Lack of Desire To Head Government

BK1906130394 Phnom Penh National Radio of Cambodia Network in Cambodian 1200 GMT 19 Jun 94

["Statement signed by His Majesty King Norodom Sihanouk Varaman"; dated 19 June—read by announcer]

[Text] Once again, I would like to solemnly stress that:

1. I have no inclination nor desire to head the Cambodian Government.
2. I respect and will continue to respect the Constitution of our Kingdom of Cambodia [KoC].
3. I condemned Lon Nol and Siri Matak for staging the coup d'etat and abolished the Constitution of the KoC on 18 March 1970. I cannot stage a coup d'etat even through peaceful means. This is because if I did so, it would mean that I am no different from Lon Nol and Siri Matak.

[Dated] Beijing, 19 June 1994

[Signed] Norodom Sihanouk

'No Desire' To Become Premier

BK1906125394 Phnom Penh National Radio of Cambodia Network in Cambodian 1200 GMT 19 Jun 94

["Message from His Majesty the King to Samdech Hun Sen, second prime minister of the Royal Government of Cambodia"; dated 18 June—read by announcer]

[Text] To His Excellency [H.E.] Samdech Hun Sen, second prime minister of the Royal Government of Cambodia [RGC].

Samdech: I would like to reassure you that I have no desire to become the prime minister of Cambodia. I am an old man and suffering serious illnesses.

This year I must stay in the Beijing Hospital for two or three months. After leaving the hospital, I must continue receiving medical treatment until January 1995. I must get this medical treatment in Beijing and Pyongyang. In 1995 I hope to be able to visit my most beloved children, grand children, and great-grandchildren, that is, my esteemed Cambodian people. Moreover, in 1995 and the years to come, I have no desire to control the state power.

Please, H.E. Samdech Hun Sen, accept my highest regards.

[Dated] Beijing, 18 June 1994

[Signed] Norodom Sihanouk

Reportage Continues on Roundtable Talks

Comments on Talks

BK1706125994 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 16 Jun 94

["Address by His Excellency Chan Youran on the discussion of the two items on the agenda at the meeting of the roundtable commission;" in Phnom Penh on 15 June—read by announcer]

[Text] Phnom Penh 15 June 1994

The samdech royal representative:

I. On behalf of the Party of Democratic Kampuchea [PDK] I would like to express the following view concerning the discussion of the meeting's agenda:
1. The cease-fire;
2. The minimal policy program;

II. Concerning the cease-fire on the meeting's agenda, the PDK delegation has already expressed its view in its earlier address, i.e. the PDK is happy to have a cease-fire now, and have been in the past and in the future. This is because the PDK, like the Cambodian nation and people, is the victim. The PDK, like the Cambodian nation and people, does not want war and fighting. We only want to end the war quickly and achieve national reconciliation and peace. We have said that it is necessary to have a genuine and permanent cease-fire nationwide with proper and adequate control. This is the issue all of us should discuss to seriously put together a cease-fire. Why has the other side refused to discuss this issue in depth?

The PDK holds that it is imperative to avoid using the cease-fire as a trick to cheat one another and the local and foreign public in order to continue fighting. In such a case, this would not be a genuine cease-fire and fighting will continue. Can the cease-fire be genuinely and permanently observed throughout the country if there is only empty talk about it and national reconciliation, and without any basis upon which all sides have agreed upon first? The entire Cambodian nation and people are waiting to see a genuine and permanent cease-fire. This is vital to them.

III. The first item on the agenda was raised for discussion at the meeting. Each side expressed its views and the meeting took note of all of them. Therefore, we should discuss the second item about the minimal policy program to set up a political basis for genuine national reconciliation and peace.

Those on the side of the two-headed government wanted to end the meeting half way and refused to discuss the second item on the minimal policy program for national reconciliation. It refused to discuss the national reconciliation in depth. National reconciliation is the key issue. The sacred goal of our roundtable meeting is to achieve this in accordance with the sacred aspiration of the entire Cambodian nation and people.

We would like to ask: Do you agree to have national reconciliation so that Cambodia will have genuine peace? If you do agree on national reconciliation and peace for Cambodia, there should be a discussion. The PDK holds that to reconcile the nation, all Cambodian sides should have a common political basis and decide to work together. There should be talks about what various sides should give one another in order to have a political basis that everyone can agree on. Even in business and investment, there are agreements and contracts that have to be jointly signed. To marry their offsprings, there are discussions among parents on what each side will give to the other, on the dates of the various ceremonies, and on the number of guests, and so on.

In short, the two items on the agenda—the cease-fire and the minimal policy program for national reconciliation and peace—are to be discussed one after another at this meeting and subsequent meetings of our roundtable commission because this is a topical issue that should be solved in accordance with the aspiration and call by the entire Cambodian nation and people.

Outcome of Meeting

BK1806072594 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 17 Jun 94

[17 June press communique of the Royal Government spokesman's office—read by announcer]

[Text] In pursuance of the august idea of His Majesty King Norodom Sihanpouk Varaman of the Kingdom of Cambodia [KOC], a KOC delegation took part in the roundtable commission's meeting with the representative of the Khmer Rouge held at the Damnak Chan pavilion of the royal palace, Phnom Penh, on 15 and 16 June 1994 under the chairmanship of Samdech Chakkrei Nhoek Chulong, high representative of the king, and in the presence of the samdech supreme patriarch and Samdech Mohakhousananda.

This roundtable commission's meeting was a continuation of the roundtable meeting held at the Chhanghsu-on royal residence on 27 and 28 May 1994 in line with the fourth provision of the joint communique issued by this roundtable meeting which proceeded under the august chairmanship of His Majesty King Norodom Sihanouk Varaman, the venerated king of the Cambodian nation.

The presence of the KOC delegation at this latest meeting was further irrefutable proof to show that the National Assembly and the Royal Government, the legal institutions born out of the elections and the constitution, had the goodwill and most unshakable determination to find a peaceful solution to the remaining Cambodian problems with the aim of bringing peace for the people, because this peace constitutes the key factor for bringing about happiness and development in the nation in conformity with the august desire of the venerated king.

During this discussion, we once again voiced our solemn support for the agenda of the meeting graciously set by His Majesty the king on 5 June 1994: namely, 1) an unconditional, immediate, and permanent cease-fire in all of the territory of the KOC; and 2) the minimal policy program, which was a proposal of the Khmer Rouge.

The KOC delegation agreed to this cease-fire with a high sense of responsibility. At the same time, the delegation also proposed that the cease-fire should begin on 30 June 1994, at noon, or in the early morning of 30 June 1994. However, it was most regrettable that the august initiative raised by His Majesty the king in pleading for an unconditional, immediate, and permanent cease-fire in all of the territory of the KOC—a most necessary and urgent requirement for the Cambodian nation and people—was made conditional by the Khmer Rouge, who wanted to reject it once again despite the earnest pleas made by the samdech supreme patriarch and Samdech Mohakhousananda for them to accept this cease-fire. The Khmer Rouge continued to raise the same unreasonable and unrealistic arguments and demanded that the participants of the meeting divert their attention to discussing their proposal instead, which in reality was an excuse for the Khmer Rouge to carry on their "fighting while negotiating" strategy to prolong the war.

As a matter of fact, besides refusing to agree to a cease-fire schedule, the Khmer Rouge also ambiguously talked about the composition of a cease-fire supervision commission, using it as a condition to set the cease-fire schedule, which is completely contrary to the august idea of His Majesty the king concerning an unconditional, immediate cease-fire.

Moreover, the Khmer Rouge also raised the issue of a competent technical commission to supervise the cease-fire without by any means trying to specifically describe this commission.

Through this meeting with the Khmer Rouge, it could be seen even more clearly that the Khmer Rouge have no desire whatsoever to find a solution for ending the remaining Cambodian problems through peaceful means. The impasse resulting from the categorical inflexibility of the Khmer Rouge caused the roundtable commission's meeting to conclude on 16 June 1994, at noon, without any specific and positive results that could be used as a basis for us to agree on for the holding of further meetings and talks with the Khmer Rouge. This will be in line with the idea of His Majesty the king, who had warned before the meeting that he would not initiate any more roundtable meetings.

Phnom Penh, 17 June 1994

Officials Asked To Leave

BK1706143194 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 17 Jun 94

[Text] The newsroom of the National Radio of Cambodia has just received a letter from the ministers of the interior concerning the deadline for the departure from Phnom Penh by representatives of the Party of Democratic Kampuchea [PDK]. The letter reads:

From: The Ministers of the Interior

To: The Representatives of the PDK Accredited to Phnom Penh

Subject: Deadline for the PDK Representatives' Departure From Phnom Penh

The Ministry of the Interior requests that all representatives of the PDK and their staff immediately leave Phnom Penh before 19 June 1994 because the roundtable between the legal representatives of the Royal Government of the Kingdom of Cambodia and the PDK on 15 and 16 June 1994 at the royal palace in Phnom Penh did not produce any positive results regarding a cease-fire, which long has been wished for by all the citizens of the country; because no other meetings have been scheduled; because the Ministry of the Interior has learned that the indignant public is planning to conduct various activities against your group; and because the Ministry of the Interior cannot stop the people from being indignant, cannot forever ensure your security, and cannot bear full responsibility for any eventual accidents against your persons.

The Ministry of the Interior will provide safe escort for your group from the office to Pochentong Airport. You, however, must inform the Ministry at least one day before your departure. Beyond the above deadline, the Ministry of the Interior will not be held responsible for your security.

Please, accept our high regards.

Phnom Penh, 17 June 1994

[Signed] His Excellency Sar Kheng, His Excellency Yu Hokkri, ministers of the interior

Phnom Penh Office Closed

OW2006100094 Tokyo KYODO in English 0944 GMT 20 Jun 94

[Text] Phnom penh, June 20 KYODO—The Khmer Rouge rebel group formally closed its office in Phnom Penh on Monday [20 June] and its seven remaining officials in the capital flew to Thailand.

The government notified the Khmer Rouge on Friday that it could not guarantee the safety of its representatives following the breakdown last week of roundtable peace talks between the coalition government and the guerrilla faction.

Before their departure, the seven Khmer Rouge officials issued a statement saying that they have no intention of bidding farewell to the citizens of Phnom Penh and voicing hope to return again sometime in the future.

Other senior Khmer Rouge officials in Phnom Penh had departed Saturday.

'Unclear Response' of DK Noted

BK1706143494 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 17 Jun 94 p 2

[From the "Political Opinion" column: "The Khmer Rouge's Only Chance"]

[Text] The unclear response of Democratic Kampuchea [DK] to the first topic in the agenda of the roundtable commission's meeting which required that the conflicting parties give a yes or no answer to the proposed cease-fire continues to cloud the search for peace in Cambodia.

Democratic Kampuchea's representative Mr. Chan Youran told the meeting that his party did not want to fight. He demanded that a real cease-fire be organized with the proper supervision of a committee or technical group set up for that purpose. Democratic Kampuchea's current stance as presented by Mr. Chan Youran was a little different from what it was before in that this time his party did not insist that other countries be invited to take part in the cease-fire supervision committee. However, it could be seen that the nature of Democratic Kampuchea's stance expressed at the Chhanghsu-on royal residence on 27-28 May remains virtually the same, as few changes have been made to it.

Democratic Kampuchea's strategy is to achieve national reconciliation and end the war right off, without first going through the stage of a cease-fire. Mr. Meas Chey, an important official of Democratic Kampuchea at its permanent office in Phnom Penh, stated outside the meeting that the main reason behind this Democratic Kampuchea stance was that when all Cambodians succeed in achieving national reconciliation, there would automatically be a cease-fire. He went on to say that otherwise a cease-fire would be ineffective, no matter where and when it may be, and he cited many specific examples, including the 1973 agreement in the U.S.-Vietnam war. For this reason, beginning with national reconciliation remains an important starting point. Although Mr. Meas Chey did not tell us what would be used as a basis for national reconciliation, certain political analysts have cautioned that Democratic Kampuchea was trying to push its enemies into its "Minimal Policy Program" trap.

What is Democratic Kampuchea's minimal policy program anyway? Mr. Meas Chey explained that the program was not aimed at dissolving the Royal Government. According to it, the two sides should make compromises. They should discuss what the Royal Government would get from Democratic Kampuchea, and vice versa. Yet most observers believed that Democratic Kampuchea was insulting the Royal Government elected by the people.

Although the participants expressed some cheerfulness, a Royal Government official who also took part in the meeting remained quite pessimistic. He affirmed that he still did not understand what the minimal policy program really was.

Now, through Democratic Kampuchea's "accepting while resolutely rejecting the cease-fire" answer, the war in Cambodia is still going on because what the Royal Government wants is to set a specific schedule for the cease-fire. Samdech Hun Sen was very pessimistic when it came to the future of Cambodia all because of the failure to declare a cease-fire schedule.

Recently, Samdech Hun Sen told the press that he was in possession of a document that was written by Pol Pot, which he obtained at the end of last March. According to this document, the objective of the Khmer Rouge was to increase their forces to 25,000 men between May 1994 and May 1996 in preparation for an offensive. It should be noted that according to neutral military analysts, the current Khmer Rouge rebel army is believed to be 20,000 strong, including their militia. The actual fighting force of the Khmer Rouge, however, is assessed to be about 8,000 men only.

If the proposal for a cease-fire with a specific schedule fell through and the roundtable commission's meeting collapsed, the Khmer Rouge would surely lose more of its support. The Royal Government is certainly employing the Khmer Rouge's own game to destroy the Khmer Rouge in addition to the military aid from foreign countries, especially the United States, France, and Australia. It can equally be said that this is also a chance for the Khmer Rouge to make up their mind whether they want to end the war and launch a political attack instead, because to be frank the Khmer Rouge are far from finished on the political stage.

On the contrary, if this opportunity is allowed to pass by, the Khmer Rouge issue will then no longer belong to the framework of a settlement for national reconciliation and an end to the war. And His Majesty King Norodom

Sihanouk already warned before the roundtable commission's meeting that, should this meeting fail, he would not propose any more of them.

Indonesia

Government Hails Resolution on Arms Supply

BK1806143694 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 18 Jun 94

[Text] Indonesia has expressed its full support to the United Nations Security Council resolution No. 924 calling for an immediate end to the supply of arms and other forms of assistance to any group that is involved in the armed conflict in Yemen. This is aimed at preventing the spread of the civil war in that country.

According to a press statement released by the Foreign Affairs Department in Jakarta today, Indonesia is reiterating its call to those involved in the conflict to immediately stop the exchange of fire and make efforts to seek a peaceful solution to the civil war in that country.

The statement says Indonesia is concerned at the continuing armed conflict there, which has resulted in an increasing number of casualties and damage to property.

Timor: Resistance To Take Part in Conference

LD1706180194 Lisbon RDP Antena 1 Radio Network in Portuguese 1100 GMT 17 Jun 94

[Excerpt] East Timor will have an observer at the Lusophone countries summit. The proposal was made and the response was also positive. What remains to be seen is who will represent East Timor:

[Begin Ramos Horta, Revolutionary Front for an Independent East Timor, spokesman abroad telephone recording] What we want is to obtain a status of a permanent observer country. East Timor is not yet an independent country but we have the right to have an observer representation at the summit. If East Timor were an independent country, we would then be a country with full rights. We have been told by the PALOPs [Portuguese Speaking African Countries] and Brazil that the East Timor issue will be on the agenda, that there will be an East Timorese resistance representation, and what remains to be defined is who will represent East Timor, who will represent the East Timorese resistance. [end recording] [passage omitted]

GATT Signatories Urged To Open Markets

BK1706102194 Jakarta ANTARA in English 1426 GMT 16 Jun 94

[Text] Nusa Dua, Bali, June 16 (OANA-ANTARA) - Indonesia hopes that every signatory of the General Agreement on Tariff and Trade (GATT) will participate in all GATT meetings, open its market, and abide by all GATT regulations.

The Indonesian hope was expressed by Coordinating Minister for Industry and Trade Ir. [academic title] Hartarto in his speech read out by his assistant, Kosim Gandataruna, during the closing ceremony of the 10th International Apparel Federation (IAF) convention here on Wednesday.

The minister said that in the next 10 years when the Uruguay Round is already completed, there would be stiffer competition in the domestic market.

"But for Indonesia, he said, "it would not then be a new thing as the country has already made it as a policy." [quotation marks as received]

He said we are only trying to resist now to be able to compete either in price or quality.

"Industries should do their own homework, while the government gives support by providing a better climate for investment," Hartarto said.

He also pointed out Indonesia's textile and its product (TPT) as one of the country's basic export goods and that it could well be improved for better international market competition. [sentence as received]

The IAF convention which was opened by President Suharto was held from June 14 to 15. It was attended by some 300 participants from 20 IAF member countries.

Daily Views Different Sides of Deregulation

BK1706142694 Jakarta REPUBLIKA in Indonesian 8 Jun 94 p 6

[Editorial: "Who is Deregulation For?"]

[Text] Perhaps, Government Regulation No. 20/1994 was the most controversial of a series of deregulation packages. The regulation on foreign investment continues to generate different opinions even six days after it was announced. Some believe that the regulation has openly "sold out" Indonesia to foreign investors. "We are not yet ready to accept foreign investment to such an extent," they said.

The government has stated that the open doors for foreign investment are meant neither to sell out the country nor to serve the interests of a certain group. Nevertheless, the general public is already "scared." This is normal because sectors accessible by foreign investors are vital. They are ports, power production, transmission, and distribution, telecommunications, shipping, aviation, waterworks, railway, atomic energy generation, and even the mass media.

On the one hand, this deregulation package is understandable. The government seems to be all out in harnessing the available domestic potential to attract foreign investment. It is hoped that the deregulation package will enable Indonesia to compete with other countries which have opened their doors wider. In this context, Government Regulation No. 20/1994 may also serve as an indicator that the government has begun to feel the constraints of shouldering development expenses by solely relying on domestic funds.

On the other hand, however, the deregulation package has led to a very basic question. Is our domestic condition ready for it? First of all, let us see several outstanding domestic economic problems! First, economic sectors are confined to a certain business group. Second, domestic economic players lack competitiveness and the spirit of entrepreneurship. Third, the bureaucracy has yet to set regulations consistently. Fourth, small-scale economic players remain in the backseat. Fifth, the infrastructure is weak.

Thus, there are five problems. However, let us discuss just two problems. Economic sectors are confined to a certain business group and small-scale economic players remain in the backseat. Is the domestic economy ready for the influx of foreign investors? Won't there be an economic liberalization that will eventually sacrifice small-scale economic players?

One thing is sure. The deregulation (liberalization) package will lead to stronger competition among economic players in the country, and we know that the weak, in this case small-scale economic players, will surely become the victims under a very liberal system. In the meantime, we have yet to enact an anti-monopoly law although such a proposal has been made for several times. In that case, how should we protect our small-scale economic players who are already staggering?

Philippines

Official Opposes DPRK 'Comprehensive' Sanctions

BK2006015394 Manila BUSINESS WORLD in English 16 Jun 94 p 12

[Text] Foreign Affairs Secretary Roberto Romulo yesterday said "comprehensive" sanctions against North Korea following reports of its decision to withdraw from the International Atomic and Energy Agency (IAEA) are "premature" at this point in time.

Instead, he said only "limited" sanctions, such as the IAEA's Board of Governors' decision to suspend non-medical technical assistance to Pyongyang, are appropriate "at this point in time" because it symbolizes the concerns of the international community.

The Philippines, a member of the IAEA's Board of Governors, supported the 10 June resolution of the Vienna based nuclear watchdog on the suspension of assistance to North Korea. The resolution was largely symbolic because Pyongyang has never availed of such technical assistance.

"We (the Philippines) are not prepared to think of comprehensive sanctions at this point in time. We would rather encourage further dialogue between the IAEA and North Korea and its (Pyongyang) dialogue partners," Mr. Romulo said.

"Moreover, we continue to believe that China can be the country that can make the difference and be a moderating force in this rather regrettable situation on the Korean peninsula," he added.

He said the Philippines backed the IAEA action because it is a timely and limited measure "called for by the specifics of the situation" since the Stalinist North has yet to fully comply with current nuclear testing standards.

The United States, South Korea, and Japan have voiced their concern on the Stalinist state's refusal to comply with IAEA requirements on nuclear inspection of North Korea's suspected nuclear facilities in Yongbyon.

The three have threatened to impose sanctions on North Korea, with Tokyo reportedly contemplating on a package of possible steps such as a ban on cash remittances and trade restrictions. Remittances from the Korean community in Japan to the Communist North is estimated to amount to over $1 billion a year.

The foreign affairs chief said it is important to explore all avenues for peaceful dialogue and to exhaust "every means of promoting" discussion before the international community resorts to sanctions.

In this light, the Philippines is against possible economic sanctions against North Korea. The foreign affairs chief considers such sanctions "comprehensive."

The Philippines called on North Korea to remain within the IAEA "for the sake of finding a peaceful solution to the issue" after Pyongyong declared its withdrawal from the Vienna-based U.N. agency.

Mr. Romulo, who spoke to Philippine Ambassador to Vienna Reynaldo Arcilla yesterday morning, clarified that the IAEA Secretariat has yet to receive North Korea's notice of withdrawal.

Under Article XVIII.D of the IAEA's statute, a state may withdraw from membership in the Vienna-based institution only if formal notice is given to the IAEA's depository state—the United States. Until now, the IAEA Secretariat has not been informed by the U.S. Government of a withdrawal notice from North Korea.

It further clarified that a "State's obligations under a safeguards agreement with the IAEA are independent of membership in the organization." Thus, North Korea still remains legally bound by its safeguards agreement with the IAEA under the non-proliferation treaty (NPT) agreement.

Government Said Concerned Over Nuclear Test

BK2006072194 Manila BUSINESS WORLD in English 16 Jun 94 p 12

[Text] Foreign Affairs Secretary Roberto Romulo yesterday called on the People's Republic of China to "exercise restraint in discharging their responsibility over fearsome technology" and to forego any further nuclear testing after the Maoist state conducted another nuclear test at Lop Nor last 10 June.

Mr. Romulo made the call on the eve of bilateral talks between the Philippines and China to be held today at the Department of Foreign Affairs office. Both governments will discuss a whole range of bilateral concerns, including Beijing's worry on the Philippines' growing relationship with Taiwan.

"The Philippines finds this (nuclear test) extremely unfortunate and regrettable. Last October, during the United Nations General Assembly, the Philippines asked for a moratorium on nuclear testing. And because China will be participating in the ASEAN (Association of Southeast Asian Nations) Regional Forum in Bangkok this July, we will hope that they will seize and desist from further nuclear testing in this part of the world," Mr. Romulo said.

As a signatory to the United Nations Treaty on nonproliferation of nuclear weapons, the Philippines has affirmed to all of the accord's objectives, he said.

Mr. Romulo said under the Comprehensive Test Ban Treaty, the testing of nuclear devices should "cease forever" because it "gravely threatens the very existence of the human family."

The 10 June incident was China's second nuclear test after it conducted a previous one in October last year.

Mr. Romulo said the incident will seriously undermine the negotiations currently taking place in Geneva on a Comprehensive Test Ban Treaty. "It also breaks the current moratorium on nuclear testing being observed by other nuclear states," he added.

The annual bilateral talks between Manila and Beijing will be chaired by Foreign Affairs Undersecretary Rodolfo Severino and his counterpart from the Chinese foreign ministry.

The two panels are expected to discuss political and economic issues affecting both countries, as well as regional ones like the forthcoming ASEAN Regional Forum where China is expected to participate.

Mr. Romulo, declined to comment on whether Manila's concern on China's nuclear testing will be a hotly debated topic during the bilateral meet.

The two groups are likewise expected to tackle other issues like the Philippines' one China policy.

Police Chief Confirms Abu Sayyaf Presence

BK2006090794 Quezon City Radio Filipinas in English 0230 GMT 20 Jun 94

[Text] Philippine National Police [PNP] Chief Ricaredo Sarmiento has confirmed the presence of Abu Sayyaf members in Metro Manila. He said the PNP suspects the terrorists are recruiting new members from Muslim communities in the metropolis. Sarmiento said security measures have been taken by the police, who fear that besides their recruitment mission the Abu Sayyaf men may carry out sabotage and other terroristic acts as they have been doing in Mindanao. PNP intelligence agents have reported sighting the extremists in the Muslim center in Quiapo and other Muslim communities in Taguig and Tandang Sora in Quezon City.

Indonesian Envoy Says 'No Problem' on Ties

BK2006073194 Manila BUSINESS WORLD in English 16 Jun 94 p 12

[Text] Indonesian Ambassador Pieter Damanik yesterday indicated that the mild rift in RP [Republic of the Philippines]-Indonesia relations over the recent Asian-Pacific Conference on East Timor [APCET] were healed.

"I can tell you that there is no problem in the relationship between the Philippines and Indonesia," said Mr. Damanik. "President Suharto appreciates very much the decision taken by President Ramos in connection with the APCET," he added.

The Indonesian ambassador likewise indicated his country was ready to host the RP-Moro National Liberation Front talks as well as participate in the first meeting of members of the East Asian Growth Area. He said his government was just waiting for the dates.

President Ramos yesterday witnessed the turnover of the formal proposal of Jakarta-based PT Citra Lamtoro Gung Persada for the South Luzon Expressway and skyway projects with the Philippine National Construction Company (PNCC).

In a press conference, Mr. Damanik said Indonesian President Suharto had personally given PT Citra the go signal to formalize talks with the PNCC, an event pending since September 1993.

"Actually this is a private sector initiative," he said, "but, since this is happening in an ASEAN country ... in the spirit of ASEAN, President Suharto has blessed this project," he said.

PT Citra is chaired by Mr. Suharto's daughter Siti. However, she was not able to come for the presentation of the proposal. Instead, the company's vice chairman, Djoko Ramidji, turned over the documents to Public Works Secretary Gregorio Vigilar.

The first phase of the project will be the construction of a 12.2-km. skyway between Bicutan and Buendia and the upgrading of the existing South Luzon Expressway. Total cost is some $300-400 million, with a two-year period.

In a press conference, Mr. Ramos said the formal proposal of PT Citra will trigger the formal negotiations between the government and the Indonesian firm. It is yet not clear if the project will be undertaken as a government project, a build-operate-and-transfer project, or both.

Ramos Inaugurates PHILSAT Operations

BK2006095694 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 20 Jun 94

[Text] Ramos has formally inaugurated the hub station of the Philippines Satellite Communications Networks or PHILSAT in a symbolic ceremony held at Malacanang [presidential office] by talking to Mayor Angelo Montilla of Tacurong, Sultan Kudarat over the phone. PHILSAT is an extensive project launched in 1992 between DOTC [Department of Transportation and Communication] and Capitol Wireless Inc. or Capwire. Under PHILSAT, 86 earth stations will be put up to ensure efficient telephone service in the country including rural areas and far-flung places. At present, five stations are operating under the network and these are expected to help promote the economy of growth triangles among Asian nations.

Thailand

Meeting Held To Discuss US Forum Agenda

BK1906072694 Bangkok THE NATION in English 18 Jun 94 pp B1, B2

[By Chirawat Na Thalang and Chiwamon Kanoksin]

[Text] A group of Thai businessmen will fly to the United States in the middle of next month to talk with their American counterparts on the setting up of the U.S.-Thai Business Council, which is being established to allow businessmen from the two countries to exchange views on how to promote future cooperation.

In preparation for the upcoming meeting, Deputy Prime Minister Amnuai Wirawan yesterday called a meeting with local businessmen, including Dr Olan Chaiprawat president of Siam Commercial Bank, and Chatri Sophonphanit, executive chairman of Bangkok Bank Ltd, at Government House to discuss the agenda which the Thai delegation should raise at the upcoming meeting with the Americans.

The U.S.-Thai Business Council was initiated at a meeting between President Bill Clinton and Prime Minister Chuan Likphai late last year, ahead of the Seattle Asia-Pacific Economic Cooperation summit. The two leaders agreed that Thailand and the United States should have a forum to provide a discussion table for businessmen from the two countries to exchange views on how to promote bilateral activities.

So far, the bilateral talks between Thailand and the United States have been dominated by the issue of conflicts such as intellectual property protection and human rights, instead of how to seriously promote activities in business and trade.

An official from the U.S. Embassy said that the discussions will cover areas of interest to both sides. The agenda might include the outcome of the recently agreed Uruguay Round of multilateral trade talks. He did not rule out the possibility that they might discuss how to liberalize trade in services.

The council would consist of high-level economic officials and representatives of the private sector.

After the meeting, Amnuai told the press that Bangkok and Washington have agreed to upgrade the existing Thai-U.S. Leadership Council to become the planned U.S.-Thai Business Council by promoting the participation of both private and public sectors.

M.R. Kasemsamoson Kasemsri, former permanent secretary to the Foreign Ministry and Thai chairman of the U.S. Thai Leadership Council, also proposed that the planned joint council should function under the supervision of the governments of the two sides, with about 30-50 business representatives.

The council should be convened once a year and the chairmanship will be rotated.

Moreover, the council should get active participation by the Board of Trade, Thai Bankers' Association and the Federation of Thai Industries.

Yesterday's meeting also assigned a committee, comprising M.R. Kasemsamoson from the state sector, and two representatives from the private sector to draft the agenda for next month's discussion, according to Chatri Sophonphanit.

Chatri added that the Thai delegation might have an opportunity to meet with U.S. Vice President Al Gore, but he declined to say who will represent the Thai delegation.

Deputy Prime Minister Suphachai Phanitchapak was scheduled to go to the United States this month, but the schedule was postponed.

Official Previews Aviation Talks With U.S.

BK1706051694 Bangkok PHUCHATKAN in Thai 16 Jun 94 p 5

[Text] Permanent Secretary of the Communications Ministry Mahidon Chantharangkun said Thailand will maintain its old position at the second round of aviation talks with the United States on 28-29 June. Thailand will stick to its positions concerning the third and fourth airline freedoms, that is, at least 55 percent of through passenger traffic load and 70 percent of cargo as conditions for the fifth freedom. The matter was discussed at the negotiation two years ago.

He said it is difficult to anticipate the U.S. position in the forthcoming negotiation. According to a most recent report, the U.S. Congress was not happy with its delegation in the previous talks, which gave in too much to the countries involved in the negotiations. Thailand therefore expects that this forthcoming round of talks will be tough, with the United States taking a tougher stand there being a possibility that Thailand's conditions will not be accepted.

The Thai delegation will be led by Sisuk Chantharangsu, director general of the Commercial Aviation Department.

In the previous round, both sides discussed the matter of principles, and reportedly the United States adopted a sincere and amicable position. The upcoming negotiations will deal with the details and Thailand will seek to know the U.S. response to its proposals. Thailand does not expect any discussions about flight routes or flight increases because this area should be dealt with only when an agreement has been reached in principle.

Prasong Reaffirms Adherence to UN Sanctions

BK1706051194 Bangkok BANGKOK POST in English 17 Jun 94 p 8

[Excerpts] Thailand yesterday said it would follow the UN decision on proposed sanctions against North Korea but made clear its preference for a negotiated solution to Pyongyang's refusal to allow nuclear inspections.

"Thailand will follow the United Nations resolution," Foreign Minister Prasong Sunsiri said. "But we hope that the situation will be resolved through negotiations." [passage omitted]

Foreign Minister Prasong confirmed that Thailand's ambassador to the UN in New York, Nit Phibunsongkhram, was in consultation with counterparts from other ASEAN states on the matter.

Thailand and ASEAN partners always follow the UN Security Council resolutions, a Bangkok-based Asian diplomat said.

But ASEAN member states "are not for the confrontational style of Western countries," the source added.

"Maybe we should give quiet diplomacy a chance. Methods of the West may not always be the best," the source said

Because of China's position, the UN Security Council is likely to find it more difficult than usual to forge a resolution on North Korea, the source added.

European Participation at ASEAN Forum Viewed

BK1906134994 Bangkok THE SUNDAY POST in English 19 Jun 94 p 4

[Text] European representation at security talks remains an open question with three positions now on the table, according to Deputy Foreign Minister Surin Phitsuwan.

Mr Surin, who was in Paris last week, said France held that the European Union should be represented by a so-called troika of former, current and pending presidents at the ASEAN Regional Forum (ARF) which Thailand will host on July 25.

Mr Surin met permanent secretary for foreign affairs Bertrand Dufoureq in what was the highest level Thai-French exchange in recent years.

The EU Commission on Asian Affairs, however, favoured representation by Germany and an official of the EU Commission, Mr Surin said.

Germany, which would by then have taken up the rotating presidency of the EU, wanted to be the community's representative, with backing by senior officials from Germany and Greece, he said.

"There is no conclusion on the issue. They can discuss this and inform us later," Mr Surin said, shortly after returning from a fleeting visit to Malaysia.

Senior officials preparing for the forum let it be known last month that Germany, which takes up the six-month presidency of the EU on July 1, was a likely candidate for EU representative. France would be represented at the forum if ASEAN accepts the Troika formula which normally has been the case for the annual post-ministerial conference featuring ASEAN foreign ministers and their dialogue partners.

The presidency of the EU turns in alphabetical order. France precedes Germany and Greece would follow.

France was interested in having a role in Southeast Asia and Indochina—in terms of culture as well as business—and knew cooperation with ASEAN was necessary to achieve this, Mr Surin said.

"All European countries, in fact, have their own policy on this region," he said.

The EU Union will be one of a total of 18 entities participating in the forum. The EU will do so as one of ASEAN's seven dialogue partners.

Six other dialogue partners also to attend are Australia, Canada, Japan, New Zealand, South Korea and the United States.

Eleven other entities participating in the informal meeting at foreign minister level are the six ASEAN member states, Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand; their consultative partners

China and Russia; and three "observer" states, Laos, Papua New Guinea and Vietnam.

Prasong To Push for ASEAN-SAARC Ties

BK2006080294 Bangkok BANGKOK POST in English 20 Jun 94 p 2

[Text] Foreign Minister Prasong Sunsiri says he will push to establish links between the Association of Southeast Asian Nations and the South Asian regional grouping.

The minister said yesterday that as ASEAN chairman he would consult his counterparts at the ASEAN ministerial meeting in July in Bangkok on ways to set up ties between ASEAN and the South Asian Association for Regional Cooperation.

Ties between the two groups were raised during talks between the Thai and Bangladesh foreign ministers in Dhaka at the weekend.

Bangladesh Foreign Minister Mustafizur Rahman told his counterpart that the SAARC would like to set up joint activities with ASEAN including economic and social aspects.

SAARC comprises Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka, besides Bangladesh.

Sqn Ldr [squadron leader] Prasong returned from Dhaka yesterday after a two-day visit during which he cochaired a joint commission meeting with the Bangladesh foreign minister.

Thailand and Bangladesh called for increasing trade between the two countries and for the private sector to play a greater role in this.

Bangladesh has potential and is a promising market for Thai traders, especially in textiles, because of an abundance of labour and very high domestic demand for the product, Sqn Ldr Prasong quoted the Bangladesh foreign minister as saying.

Bangladesh called for Thailand to buy more products including urea fertiliser, paper, paper products, tobacco, tea and jute.

Two-way trade between the countries accounted for about $93 million last year with a surplus of $53 million in favour to Bangkok.

Sqn Ldr Prasong asked Bangladesh to ease measures against Thai trawers and fishermen illegally fishing in Bangladeshi waters.

Dhaka will conside Thailand's proposal to set up of a committee to solve this problem.

Minister Regrets Closure of KR Office

BK2006073394 Bangkok THE NATION in English 20 Jun 94 p A3

[Text] The closure of the Khmer Rouge [KR] office in Phnom Penh will have a bad effect on Cambodia's attempts to reach national reconciliation, and will prolong the conflict between the Cambodian government and the guerrillas, Thailand's Foreign Minister, Prasong Sunsiri, said.

Responding to reporter's queries, Prasong said Cambodia should continue its attempt to bring back to the community the Khmer Rouge, who refused to participate in 1993 UN-organized election.

The Cambodian government has ordered the closure of the Khmer Rouge office in the capital, Phnom Penh, saying that it is uncertain of the guerrillas representative in the city. [sentence as published]

"Phnom Penh's order regarding the Khmer Rouge office clearly showed the government's outrage at the Khmer Rouge refusal to cooperate with it. However such closure should not happen, as the two sides are in the process of negotiation," Prasong said.

The office, which has only one staff, has seldom been in operation due to conflicts with the government. The government has not yet outlawed the guerrillas. A proposed bill to outlaw the group has been withdrawn temporarily pending the results of talks held last week in Phnom Penh.

The talks failed to reach any agreement on a ceasefire, reportedly prompting the Cambodian government to order the closure of the office.

"Hope to see immediate and lasting peace in Cambodia has been further diminished as the guerrillas will certainly be angry with the closure of its office," Prasong said.

Surin: France Unwilling To Give Arms

BK1906131994 Bangkok THE SUNDAY NATION in English 19 Jun 94 p A2

[Text] France is not ready to grant a Cambodian government request for arms to fight the Khmer Rouge. Deputy Foreign Minister Surin Phitsuwan said yesterday after a recent meeting with the French foreign affairs permanent secretary.

Surin added that Australia, which had also been approached by the Cambodian government, had made no decision on the matter and the United States was only interested in supporting military training in Cambodia.

Surin, who returned from an overseas tour, stopped over in France after he attended a meeting of ambassadors and counsellors in Morocco. He arrived in Bangkok from Kuala Lumpur yesterday.

Apart from narcotics suppression and the Cambodian conflict, Surin said the talks with French officials included discussion on SEA 10, a Southeast Asian grouping which includes the six in the Association of Southeast Asian Nations (ASEAN), the three Indochinese nations and Burma.

Labor Minister Discusses Ties With Official

BK2006101394 Bangkok Radio Thailand Network in English 0000 GMT 20 Jun 94

[Text] Kuwait has shown keen interests in employing more Thai workers to help in reconstruction of the country. Vice President of the Kuwaiti Parliament [Salei Yusuf Al Fathala] met Minister of Labor and Social Welfare Phaithun Kaeothong on Friday for talks on Thai labor in Kuwait. There are currently about 3,000 Thai workers in Kuwait. The country wishes to increase the number of Thai workers to 7,000, the same number employed in Kuwait before the Gulf war. The vice president of the Kuwaiti parliament asked Thailand to help urge Iraq to release Kuwaiti prisoners of war. Kuwait intends to cooperate more in Thailand in diplomatic, trade, and labor areas. Trade between the two countries last year amounted to 2,000 million baht. Kuwait has invested over 1,000 million baht in the petroleum business in Thailand. Kuwait has also invited Minister Phaithun to visit that country.

Bank Wants Iraq To Make Quicker Payments

BK2006090194 Bangkok BANGKOK POST in English 20 Jun 94 p 20

[Text] The Export-Import Bank of Thailand says Chaiyaphon Rice Co must ask the Iraqi government to earmark funds which have not been frozen to pay interest every six months on a new rice contract.

The company, the authorised representative for the purchase of Thai rice for Iraq, had struck a deal for annual interest payments.

It says the contract will be guaranteed by the Iraqi central bank, which will open a letter of credit to ensure payment.

Further negotiations between the bank and the buying representative are set for today.

According to the deputy managing director of Ex-Im Bank, Somphan Iamrungrot, the company has proposed a two-year extension of interest payments, but the condition could not be accepted because of the risks of the transaction.

It could not be sure when the United Nations would release Iraqi assets. Mr Somphan learned that Iraq's Bank of International Settlements (BIS) has only US$100 million in hand, which may not be enough for the rice payment.

Iraq is set to buy about 500,000 tons of 10 percent and 15 percent white rice worth about five billion baht from Thailand this year through Chaiyaphon Rice.

The Ex-Im Bank has been asked by Commerce Ministry to finance local exporters on the deal.

Phaibun Khuansongtham, the managing director of Chaiyaphon Rice Co, said he wondered why the bank has taken such a long time to examine the deal when Iraq's central bank has acknowledged payment.

He was also informed that the assets will be released by the end of next month and that it is urgent that the Thai Government makes a decision, as the released assets may not be earmarked for the rice.

The rice price will be quoted in line with market prices plus 15 percent interest, which Mr Phaibun says is a risk worth taking.

Iraq still owes about 1.8 billion baht to Thai rice exporters, who sold about 200,000 tons of rice to Iraq before the Gulf War.

Plea To Set Up Fishing Projects Rejected

BK1906135794 Bangkok THE SUNDAY NATION in English 19 Jun 94 p A4

[By Marisa Chimprapha]

[Text] Dhaka—Bangladesh has turned down Thailand's request to increase joint fishing ventures, saying its marine resources were already depleted and it must conserve the remainder as much as possible, a senior Thai Fisheries Department official said yesterday.

Fisheries Deputy Director General Somsak Singhonka said there is only one joint venture fishing company. It initially had 10 Thai boats, but had been reduced to seven as three of them sank in a storm.

Bangladesh has rejected a Thai request to replace the sunken boats. A request for more joint fishing ventures was also rejected, he said.

Somsak was speaking to THE NATION after attending a three-day meeting of the Thai-Bangladeshi Joint Commission in Dhaka which ended yesterday.

Leading Thai officials to Bangladesh was Foreign Minister Prasong Sunsiri, who co-chaired the meeting with his Bangladeshi counterpart A.S.M. Mustafizur Rahman.

Prasong, meanwhile, said he understood Dhaka may be reluctant to allow more Thai fishing activity in the Bay of Bengal because some Thais were caught illegally fishing in its territorial waters.

"Bangladesh has a strong policy to conserve its marine resource. Bangladeshi Prime Minister Khaleda Zia has informed me that her country wants to conserve this marine resource as much as possible.

"She said the country is considering the Thai request (for more joint ventures) but feels that the existing number of Thai boats under the concession are enough," Prasong said.

A reliable source said yesterday Bangladesh had at the last-minute gone back on an earlier agreement to set up of a joint working group on fisheries, agreed upon during a joint meeting of senior officials.

The Thai side had expected the proposed working group to help solve existing and future fisheries problems.

It was proposed that senior officials of the Thai and Bangladeshi fisheries departments join the working group so that they could directly talk to each other when problems occur.

Somsak confirmed that Bangladesh has changed its mind, but said the fisheries problems between Thailand and Bangladesh are less serious than those Thailand has with Vietnam and Burma and the working group is not necessary for the time being.

Prasong yesterday paid a courtesy call on Bangladeshi President Abdur Rahman Biswas and Prime Minister Zia.

During the meeting, the two parties agreed to increase bilateral trade which has been in favour of Thailand for many years.

Dhaka proposed that Thailand import more tea and jute products but the Thai side said Thailand is already a major producer of tea and jute.

The Thai delegation also offered to organize a training programme for Bangladeshi officials, particularly in the field of fisheries and human resource development.

Phalang Tham Party's Spokeswoman Resigns

BK1706135694 Bangkok Radio Thailand Network in Thai 0530 GMT 17 Jun 94

[Text] A deputy spokesperson attached to the Prime Minister's Office this morning announced her resignation from the post together with the assistant secretary to the prime minister and a member of the group of whips for parties in the coalition government. All three persons are Phalang Tham Party MP's who endorsed the submission of a motion calling for the establishment of a special commission to redraft the Constitution.

Mrs. Sudarat Keyuraphan, deputy spokesperson for the Prime Minister's Office, said that she decided to resign from the post because she wanted to fully perform her duty as a Member of Parliament mainly for the sake of the people and country.

Military's Role in Politics Discussed

Wimon Puts Nation 'at Ease'

BK1906144094 Bangkok THE SUNDAY NATION in English 19 Jun 94 p B3

[Report by Kokhet Chanthaloetlak and Watsana Nauam: "Wimon Puts the Country 'at Ease'"]

[Text] The reputation of the Army was badly damaged by the May 1992 bloody crackdown on pro-democracy demonstrators on Ratchadamnoen Avenue. Certain officers were accused of ordering troops to brutally suppress protesters demanding the ouster of non-elected prime minister Suchinda Khraprayun.

After Gen Suchinda stepped down in disgrace shortly after the upheaval, several key military members were transferred to inactive posts, including former Army chief Itsaraphong Nunphakdi, ex-Air Force commander Kaset Rotchananin and former First Army Region commander Chainarong Nunphakdi.

Many "professional" officers were promoted to key positions, replacing "political" officers. Army Commander-in-Chief Wimon Wongwanit is one of the so-called professional officers, although he's a graduate of the once-powerful Class 5 of the Chunlachomklao Royal Military Academy and a classmate of Gen Suchinda and Gen Itsaraphong.

Gen Wimon has on several occasions reiterated his policy of non- interference in politics and has vowed to promote democracy. He clearly sides with the government in dealing with the current political situation precipitated by Chalat Worachat's hunger strike.

"A person who fasts must die. If he does not fast he will not die. Being fed with saline solution is not a fast, and (Chalat) will not die," Wimon said recently.

He has said the Army belongs to the King and the people. The Army is an agency of the government, so it must perform in line with government policy.

In his statement on June 7, he reiterated that the Army would side with the elected government of Prime Minister Chuan Likphai. This does not only mean the Army will throw its weight behind the government, but also implies there are still "insidious power seekers" in the Army, and Wimon realizes the fact and thus has to make his stand clear to them.

These people want political changes which would be followed by transfers of officers who now hold powerful posts.

It has been reported that some "brokenhearted" officers—those whose careers were affected by the 1992 upheaval—remain uncomfortable about their future.

Many are officers who had close relationships with the old power clique in the Army. It's of little surprise then that these officers have felt uneasy since their bosses were transferred to inactive posts.

After being promoted to the Army's top post, Wimon did not sweep clean the Army as expected by observers. That would have been acceptable to Army personnel.

If Wimon did purge officers loyal to the old clique, there would have been chaos in the Army. Many officers who hold key combat posts, including commanders of divisions, regiments and battalions, remain loyal to the old clique.

In annual transfers under Wimon's command, only a few officers regarded as subordinates retaining loyalty to the old power clique have been transferred to inactive posts. Many have, indeed, even been promoted to important positions.

But the annual round of transfers in September will be another story. There are signs that there will be changes among commanders of combat units. Some officers loyal to the old clique have held key positions for too long because they have "immunity". And it's time for them to be transferred to inactive posts.

This would break a systematical inheritance of power set up by graduates of Class 5 four years ago.

When Suchinda was appointed prime minister, Itsaraphong succeeded him as Army chief. It was clear then that after Itsaraphong retired this year, the post of Army chief would go to Lt Gen Wirot Saengsanit, who will retire in 1996.

And after Wirot, the heirs apparent are Chainarong and then Samphao Chusi. Commanders of key combat units were also affected. Chainarong's colleagues from Class 11 were put in control of important combat units.

For soldiers, gratitude is an important professional virtue. It is no surprise then that many soldiers are still loyal to the old power clique that once rewarded them with key posts.

For soldiers, gratitude is an important professional virtue. It is no surprise then that many soldiers are still loyal to the old power clique that once rewarded them with key posts.

But in a recent reshuffle at the level of battalion commanders, which has not yet been publicly announced, there is a sign the best days of officers standing by the old clique are over, according to sources.

Earlier this year, sources in an intelligence unit said certain Army officers had tried to approach an opposition party leader, who was tipped to be a strong candidate to become the next prime minister.

The sources said they developed a decent relationship with the politician because they were backed by newspaper columnists close to the opposition party leader.

During the May crisis, one graduate of Class 5 was not involved in the brutal crackdown on protesters, but his career was nevertheless affected. He was transferred to an inactive post at the Office of the Permanent Secretary of Defence. He was then a favorite candidate to succeed Itsaraphong as Army chief when the latter retires this year.

The officer has wondered why he was targeted. His aides who were tipped to succeed him as Army commander were hurt too. The "power line" prepared for them had been cut and their way to the top blocked.

The plans for the post of Army chief to go from Suchinda to Itsaraphong, then Chainarong and Samphao, could not be realized. Lt Gen Chainarong is now commandant of the Institute of Army Academics. Although he still has a chance to return to an active post, his path is not smooth.

Chainarong's image has been tainted since the May upheaval. He's been accused of being directly involved in the bloodshed by ordering troops to open fire because he was commander of the First Army Region, which oversees the capital.

Since the May incident, there have been attempts to regain power by the old power clique, who were suspected to be involved in a spate of violence in the South and elsewhere in the country.

Sources in intelligence agencies said the violence was aimed at overthrowing the Chuan administration as soon as possible. This would open the way for them to regain power.

The old power clique comprises the people who used to have political power and certain "undisciplined" officers.

Certain officers believe that if former deputy Army chief Wirot, who is now deputy defence permanent secretary, comes back to succeed Gen Wimon, who is due to retire in 1995, the arranged power line would be in effect again. Wirot's reputation has not been tainted by the May 1992 events, but he was transferred to an inactive post because certain senior officers wanted to clean the Army of Wirot, a classmate of Suchinda and Itsaraphong. Senior officers also want to sever the line blocking the promotion of other officers.

It is justified to promote Wirot to be Army chief succeeding Gen Wimon because of his clean image. Wirot is due to retire in 1996.

Such a promotion could be realized only when there are changes in political power. There must be a prime minister and a defence minister who would agree to such a move.

Certain powerful columnists are reportedly backing the old power clique, using their columns to justify campaigns to oust the government.

Although leaders of the Armed Forces have repeatedly vowed that they would not stage a coup, some groups of people still fear that other officers would turn to the outdated method of power seizure.

An opinion poll, conducted by Suan Dusit Teachers' College and publicized in May, showed that a lot of people disagree with military coups. The poll and Wimon's statement on June 7 have been regarded as a tool to stop the "underwater tide".

The old power clique can do nothing at the moment because of the people's strong opposition to military coups. They have opted to conduct underground campaigns, recently spreading a rumour that a group of officers had travelled to Hong Kong to discuss the possibility of staging a coup.

Officers who are also senators have tried to hurt relationships between the government and permanent officials, and between Chuan and Wimon.

They want Chuan to lose confidence in Wimon, and Wimon to have sour relations with the press.

But Wimon knows about the plans, and isn't about to fall into the trap.

Sulak Siwalak Interviewed

BK1906144894 Bangkok THE SUNDAY NATION in English 19 Jun 94 p B7

[Interview with "Radical Social Critic" Sulak Siwalak by Kritsana Chaiyarat, place and date not given; under the "Who Will Trust the Thai Military" rubric]

[Text] **Please comment on the origin of the Thai military and its role in Thai politics.**

The Thai military emerged during the reign of King Rama V. At the time, both the military and civilians were duty-bound to fight against any foreign military invader.

At first, King Rama V only wanted the military to suppress internal rebels, but things changed after Thailand lost a war to France and had to give up part of its territory. During the reign of King Rama VI, a force of defence scouts was set up to balance the power of the military.

In 1932, King Rama VII was arrested by the military, an incident that led to the changing of Thailand's political system from absolute monarchy to constitutional monarchy.

So the military has played the dominant role in the country since the reign of King Rama V?

Of course. And since 1952, the Thai military has virtually had its own state in Thailand.

What are the military's good points at present?

The military should only have one duty—to protect the country. Its budget and personnel should be reduced. The Army preparatory school should only produce military personnel who want to be professional soldiers, not prime ministers. Many army generals forced out of command by the people are still alive. They're still playing golf and having a good time in Thailand.

The military is now very angry with political activist Chalat Worachat, who's on a death fast. It was the military that told Prime Minister Chuan Likphai not to yield to Chalat's demands.

Do you think the military still wants to get involved In politics to solve any national crisis that arise?

Yes it does. This has been going on in Thai society since the time of ACM [Air Chief Marshal) P. Phibunsongkhram. The Thai school system was used to teach people to respect the military. Male students were told to cut their hair short like soldiers. Students are still required to stand in front of the flag polo at eight o'clock every morning. No other schools in the world make their students stand before the flag pole every morning. The practice is the military's idea.

How do the military and politics balance each other?

People must first realize that the military is a separate state in Thailand. It can do things normal people can't do. It's alleged that its members can do business with the Khmer Rouge and Burma. If you look around Bangkok, you'll see that many areas belong to the military. The military has its own "secret" budget and nobody knows how they spend the money. Thai military representatives overseas have a lot of money to spend. It's not fair for the citizens. I don't see why they should receive such a huge budget.

What in your opinion would constitute a "good" military?

One whose only duty was to protect the country.

If Chalat's hunger strike spins out of control, is it appropriate fro the military to be called out to solve the problem?

That would be very dangerous. It's already old fashioned to use force to quell a public uprising. In fact, this country has no need to maintain a large military. The military budget should be cut. A former deputy finance minister once told me he was very worried about the military budget because it was nearly impossible to examine military spending.

Does the present role and status of the military satisfy the people?

Not yet. The military doesn't like Chalat because it fears losing power if his demand for a new charter is honoured. The military is involved in many different kinds of trade. They have their own schools, hospitals, banks and overseas representatives. Most of the people don't know that the present charter was written by pro-military academics .

Will the Army ever become democratic?

No, not ever. Soldiers are soldiers and they have to listen to many levels of commanders. In a democracy, people have equal right to express their opinions in public. Soldiers in the lower ranks don't have the right to voice their opinions. They have to listen to their commanders.

What's your view on the military's role in Chalat's protest?

Army commander in chief Gen Wimon Wongwanit called Chalat a "madman". Chuan is not brave enough to implement Chalat's demands because the prime minister is afraid of the military. However, the military shouldn't become involved in the current political situation.

Is there still a chance the military could stage a coup?

As long as people are still not aware of their rights in a democracy, there is the chance the military could stage a coup at any time. At present, the military doesn't want to be too visible because the people lost faith in the Army during the 1992 bloody crackdown on pro-democracy demonstrators.

Aren't you afraid of being hurt by the military because of your comment?

Everybody has a sense of fear, but I have to speak out against things that are incorrect because it's my duty to protect democracy in our country.

How do you feel when the military issues statements hitting back at your comments?

It's good for the military to retaliate with words. It's much better than ordering their men to beat me up. I don't believe this is a barbaric era. If they were to use barbaric methods against me, I could end up dying like a dog along the roadside.

Anuson Kritsanaserani Comments

BK1906144594 Bangkok THE SUNDAY NATION in English 19 Jun 94 p B7

[Interview with Armed Forces Spokesman Lieutenant General Anuson Kritsanaserani by Watsana Nanuam, date and place not given; under the "Who Will Trust the Thai Military" rubric]

[Text] **Military leaders reiterate that there will be no more coups, so why does the public still believe a coup could occur?**

In the past, it seemed to the public that the military overthrew democratic governments. These days, the military worries whenever people suggest it will stage a coup. None of us thinks about coup; we don't want to talk about coups. Every time there's a rumour, we try to find out where it originated. If you see any military unit mobilizing, please inform us.

There will always be rumours about coups, because of fear and the stock market. Investors in the stock market are always watching politics and the military. They check out information from several sources, in particular the press.

If you have any such negative information, you should inform the military. I can assure you that there will be no coup. The military is not prepared (to stage a coup). According to my information, I can assure you that there will be no coup. But you can't say a Boeing will never again crash. I can assure you that at present there will be no coup.

Army chief Wimon Wongwanit on June 7 warned Army officers not to listen to certain instigators. Did he want to warn certain people not to act wrongfully?

The Army commander in chief wants the country to be peaceful. He wants his subordinates to be disciplined. He wants to warn his subordinates not to cause unrest. But I don't know whether he has any information about a possible threat.

You can't call soldiers opportunists. At present, we are professional soldiers. We know what the people don't want the military to do; we know that from opinion polls.

We will perform in line with what the people want. We consider ourselves the people's army. If we act against the people's will, we'll be viewed as dictators. We have to adjust our attitude to match the public's. We will not get involved in politics. If we take sides, the people will think military rule has returned; we have to be neutral.

But the press always asks us about politics. Officers from the supreme commander to commanders of the Armed Forces don't want to talk about it. But when asked, they have to say something.

The supreme commander and commanders of the Armed Forces support the government. We have to back the government because it's legitimate. The government is elected by the people. If we say we don't support the government, the people will be angry at the military. We don't want the people to hate the military, so we have to support the government. We don't want to criticize anything, including the government.

If there was violence in the streets, would the military stay idle?

The military has to listen to the government. The prime minister, as director of internal security, has the power to call out the military and police.

The prime minister, who is elected by the people, knows what is right or wrong. We have to obey his policies.

The military will not get involved if there is no order from the prime minister?

That's right. We don't want to be offside. If we do anything without orders, the people will be watching us.

What did you do when reports arose recently that certain military officers had met to form a plot?

The supreme commander called everyone together and asked whether anyone knew anything. I told him some officers had gone to Hong Kong. You should know that when there are holidays, our officers like to go to Hong Kong: we play golf and our wives and children go shopping. This is a personal matter.

What are "professional soldiers"?

We are soldiers; we want to be soldiers; we receive a salary from the military. We have to be disciplined and do what we are ordered to do by our superiors. We don't want to repeatedly say 'we are professional soldiers and we will not become involved in politics'. We have to act, not just talk.

Did the military survey public opinion about coups?

No, not directly. It would be like someone asking you how many wives you have. People don't want to answer that kind of question. We have regularly used public opinion polls to find out what people want us to do.

Senate Accepts House-Approved Copyright Bill

BK1706132094 Bangkok Radio Thailand Network in Thai 0530 GMT 17 Jun 94

[Text] The Senate meeting convened at Parliament this morning at 0935. The meeting considered the house-approved draft copyright bill. A number of senators debated in support of the bill saying that it will contribute to developing the national economy to be in line with the world economic situation. They said this will lead to greater development of the country's economy because it will also result in expansion of trade and industry. The draft bill will encourage Thai people to be enthusiastic in using new and modern inventions.

Deputy Commerce Minister Churin Laksanawisit said that the draft copyright bill will provide protection for data work and actors' achievements. Regarding computer programs, over which many parties have expressed concerns, they will be protected by the existing law.

After a considerable period of debate, the meeting decided to accept in principle the draft bill before being passed for further consideration by the commission. The meeting was adjourned at 1210.

Earlier, it took the House of Representatives three weeks to deliberate and approve this draft copyright bill.

Report on Dam Projects Near Burmese Border

BK1906133494 Bangkok SIAM POST in Thai 18 Jun 94 p 5

["Page 5 Report" by Sathit Manatsurakun: "Water Diversion From Salween River To Replenish Phumiphon Dam—Many Questions Need To Be Answered"]

[Summary] "It appears that many obstacles face the program to build seven dams in the Salween River basin in the Thai-Burmese border area to draw water from branches of the Salween River to branches of the Chao Phraya River to replenish the Phumiphon dam in order to feed 22 central region provinces, including Bangkok.

"In addition to opposition from the local people, which already has started in some areas, the government program will have to face scrutiny by private development organizations, student environmental groups, and academics who have demanded fair distribution of resources. The obstacles will be just as intense as those found against the efforts to build other dams.

"The Electricity Generating Authority of Thailand [EGAT] has been assigned by the government to make a feasibility and environmental impact study of the program, which involves the construction of at least seven dams.

"They are: the Mae Lamao-Mae Tun Project in Mae Sot District, Tak Province; the Huai Khanaeng-Mae Tun Project in Mae Ramat District, Tak; the Upper Nam Pai-Mae Taeng Project in Pai District, Mae Hong Son; the Nam Ngao-Mae Tun Project in the area where Sop Moei Subdistrict, Mae Hong Son and Tha Song Yang District, Tak Province merges; the Lower Nam Pai-Mae Chaem Project in Muang District, Mae Hong Son; the Nam Moei-Mae Tun Project in Mae Ramat District, Tak; the Upper Salween-Mae Taeng Project in Burma north of Chiang Dao District, Chiang Mai.

"It is estimated that the seven projects will be able to divert 6 billion cubic meters of water to Phumiphon Dam.

"Because the program will involve drawing water from international waterways for domestic use, the program originator has to employ 'offensive public relations' as well as tactics to push ahead its program on the basis of international geopolitical factors.

"According to a source in EGAT's Phumiphon Dam Replenishment Project working team, Minister Attached to the Prime Minister's Office Sawit Phothiwihok, who is in charge of EGAT, has a policy to push ahead the program in three ways:

"First, the study for the projects which are located in Thailand, such as the Huai Khanaeng-Mae Tun Project, can start promptly. The project is located about 600 meters from the bank of the Moei River on the Thai-Burmese border. A Thai-UK treaty, signed while Burma was a British colony, stipulates that the banks of the

Salween and Moei Rivers serves as the border, with the two rivers being neutral territory. Therefore, it should be no problem to pump water from the Moei River that flows into Huai Khanaeng Khito in the high tide season.

"Second, on the project which is located in the area straddling the Thai-Burmese border—the Nam Moei-Mae Tun—an agreement must be reached with Burma to enable Thailand to seek loans confidently from international financial institutions and to ensure that there will be no problem with the ethnic minority groups waging a liberation war nearby.

"Third, Thailand should not ask Burma to permit it to study the projects located in Burmese territory, such as the Upper Salween Project, unless Burma wants such projects implemented in order to sell water and electricity to Thailand. Only under these conditions should Thailand negotiate with Burma on a government-to-government level.

"The source said: 'This policy was reached after considering the question: what would we do if Burma asks to conduct a study on the Chao Phraya River basin?'

"In any event, it appears that the EGAT will choose to implement more simple projects based on engineering and economic considerations first."

The EGAT organized a seminar recently to gauge reaction to two projects—the Mae Lamao and Huai Khanaeng projects—on which it already conducted preliminary studies. The people who will be displaced by the projects clearly opposed the construction, while academics and private development organizations made many observations.

"The seven private development organizations which participated in the seminar made the following proposals: 1. a public hearing should be conducted regarding water needs and resource management in the Chao Phraya River basin; 2. the study on environmental impact should be expanded to cover the Salween River basin as well; 3. an independent committee comprising specialists, local leaders, and representatives of private development organizations should be formed to monitor the environmental impact. The committee should participate in every stage of the projects until after completion of project construction."

[Begin box]

Mae Lamao-Mae Tun Project

The dam is 60 meters high. It will dam Mae Lamao stream about 15 km from where it merges with the Moei River in Mae Lamao National Forest Reserve in Mae Sot District, Tak Province. It will be located about 120 km west of the Tak provincial town. The reservoir will inundate 4,190 rai of land and contain 94.3 million cubic meters of water. The project cost will be 5,342 million baht. It will irrigate 18,000 rai of farmland and divert 356 million cubic meters of water through a tunnel to Phumiphon Dam

Huai Khanaeng Project

The dam will dam Huai Khanaeng Khitoe stream about 600-1,600 meters from where it merges with Moei River. The exact size and site of the project is still under study. It will be located in Mae Ramat District, Tak Province. The reservoir will encompass about 1,400 rai and will divert 600-800 cubic meters of water to Phumiphon Dam. The project is estimated to cost about 5,068 million baht. [end box]

Vietnam

Spokesman Disputes PRC Claim to Wan An Reef

BK1706151994 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Jun 94

[Text] In response to the Chinese Foreign Ministry spokesman's 16 June statement, the SRV Foreign Ministry spokesman on 17 June issued the following statement:

The fact that China claimed that the Tu Chinh area, which it calls the Wan An Reef, is part of China's Nansha [Spratly] islands and that China has signed agreement to explore for oil with the U.S. Crestone Energy Corporation in the area are in defiance of the principles of international law and practice, especially the 1982 UN Convention on the Law of the Sea.

It is an undeniable fact that the Tu Chinh area lies entirely within Vietnam's exclusive economic zone and its continental shelf. The Tu Chinh area, which China calls the Wan An Reef, and which Vietnam has always asserted its sovereignty over has no connection with the Truong Sa [Spratly] archipelagoes [khu vuwcj tu chinhs ma trung quoocs gooij laf vanj an bawcs nayf khoong lieen quan gif deens quaanf dqaor truongf sa maf vieetj nam dqax luoon luoon khawngr dqinhj laf thuoocj chur quyenf cuar vieetnam] For quite some time now, Vietnam has built material bases and has carried out normal activities in exploring and exploiting natural resources in the Tu Chinh area. This act is totally in conformity with the international law.

In the interest of developing relations between Vietnam and China and for the interest of peace and stability in the region, China should not make statements or act in violation of Vietnam's undeniable sovereignty in this area.

Commentary on Spratly Problems With PRC

BK2006142594 Hanoi Voice of Vietnam in English 1000 GMT 20 Jun 94

[Text] Last week, China claimed that Tu Chinh or Wan An area was a part of its territory in the Nansha [Spratly]

Archipelagoes. Regarding this issue, the spokesperson for the Vietnamese Foreign Ministry released a statement rejecting this illegal claim and maintained that Tu Chinh is a region well within Vietnam's exclusive economic zone and continental shelf.

Recently, Mr. (Tilaz Dosel) of the Southeast Asia Research Institute in Singapore, quoted in his thesis entitled: "Vietnam, a New Oil and Gas Exporter in Asia," as saying that China always violates Vietnam's sovereignty. [sentence as heard] Mr. (Tilaz Dosel) said: In May 1992, China allowed the Crestone Energy Corporation of the United States to explore oil and gas in an area of 15,610 square meters which is called by China as North Wan An-21, but in fact this area lies in Vietnam's territory, adjoining the Big Bear Oil Field. In September 1992, China sent four geology survey and drilling ships to operate in the Tonkin Gulf, about 150 km offshore Vietnam, where Vietnam has granted license to (Idemicfield) Company of Japan to explore. In 1993, China's ships intruded into the 6th lot of Vietnam, where BP Company of Britain was licensed for exploration.

The area that China allowed the Crestone Company to explore is the 133d lot which the Conoco Company of the United States was asking for Vietnam's approval to exploit.

Mr. (Tilaz Dosel) also mentioned that Vietnam has many a time negotiated with its neighboring countries to settle the dispute over its sea territory. He said that China has many times violated Vietnam's sovereignty in the Tu Chinh area.

Minister Holds Talks With Russian Counterpart

BK1706140994 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 16 Jun 94

[Text] According to a VNA correspondent from Moscow, on the evening of 15 June at the Russian Foreign Ministry villa, Russian Foreign Minister Kozyrev met Foreign Minister Nguyen Manh Cam who had just arrived in Moscow together with Prime Minister Vo Van Kiet. Before the talks, Foreign Minister Kozyrev said that Russia and Vietnam share many common interests.

Discussing the talks, Foreign Minister Kozyrev said that the visit to Moscow by Prime Minister Vo Van Kiet is the greatest event in the history of the development of our relations. Russia is building its relations with old friends on a firm foundation. We all share great common interests, including political interests and great interest in the region. Russia and Vietnam have very concrete, fine, firm, and friendly relations.

Radio Welcomes Agreements With Russia

BK1706160994 Hanoi Voice of Vietnam in English 1000 GMT 17 Jun 94

[Text] As reported earlier, Vietnamese Prime Minister Vo Van Kiet and his Russian Counterpart V. Chernomyrdin signed in Moscow Thursday a treaty on principles of bilateral relations. During an official friendship visit to Russia by the Vietnamese Government leader from 15 June, the two sides also signed other important agreements laying new grounds for further development of the friendship and cooperation between Vietnam and Russia. At this connection, the Voice of Vietnam has this to say:

Russia is one of the big countries in the world with developed agriculture and industries and great potentials in oil, gas, machinery, and means of transport. In recent years, Russia has been confronted with a number of social economic difficulties such as the decrease of economic growth, inflation, unemployment. To overcome this situation, the Russian leadership has stepped up its relations with foreign countries while solving its domestic problems. To get this done, Russia has focussed on nations in Asia, especially in Southeast Asia.

The Russian foreign minister, in his talks on 15 June with visiting Vietnamese counterpart Nguyen Manh Cam said: Russia and Vietnam share many common interests. Vietnam is Russia's friend in Asia. On this occasion, Senior Lieutenant General Commander (Lindegrav) said: No reason for Vietnam and Russia forget each other. [sentence as heard]

At present, the two countries are determined to restore, consolidate, and develop their bilateral cooperation. This determination has been manifested through a series of agreements and treaties signed on 16 June. Besides the treaty on the principles of bilateral relations, Vietnam and Russia also signed agreements on investment; on economic scientific and technical cooperation; in agriculture, industry; and on cooperation in fishery. These documents are new foundations for Vietnam and Russia to develop long term cooperation for mutual benefits on the principles of equality, and at the same, basis for them to overcome obstacles on mechanism and forms of cooperation in recent past.

The Russian prime minister, in the talks, assured the Vietnamese prime minister that the two countries of Vietnam and Russia have a fine traditional relationship. With the newly signed documents, the two countries should bring into full play this fine relationship.

Vo Van Kiet Returns From Russia 18 Jun

BK1906105394 Hanoi VNA in English 1401 GMT 18 Jun 94

[Text] Hanoi VNA June 18—Prime Minister Vo Van kiet and his party were back here this morning concluding a three-day official visit to the Russian Federation.

The Vietnamese delegation was seen off at a state ceremony in Moscow on June 17 by Prime Minister V. Chernomyrdin, Deputy Foreign Minister A. Panov and other Russian ranking officials.

Discusses Results of Visits

BK1906162494 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Jun 94

[Report on interview with Prime Minister Vo Van Kiet by unidentified press correspondents aboard the airplane carrying him home from Moscow on 18 June—Kiet's remarks are recorded]

[Text] [Correspondent] Could you discuss the significance of your visit and its most successful aspects?

[Vo Van Kiet] My visit was to help create conditions for renewed cooperation between Vietnam and these countries. We renewed and restored all the relations we had in the periods from 1992 to early 1993 and from 1993 to early 1994. Vietnam and these countries signed a number of agreements. We signed with the Russian Federation a new treaty to replace the old one, which had been signed with the former Soviet Union. We successfully surmounted this hurdle. The new treaty, though based on the same old friendly spirit, does not follow the old pattern of doing business. The two sides now will conduct business in accordance with the new principles of relations. This will create new advantages for us to expand our friendly cooperation. During this visit, our businessmen and officials from various sectors were able to get in touch with the real situation. Through their exchanges of views and observations, they saw with their own eyes many potentials more substantively. This was a good opportunity for us to rebuild our relations.

[Correspondent] How far did Vietnam and these countries discuss those difficulties that obstructed their relations? And is there any prospect that those treaties and agreements already signed between Vietnam and these countries during your visit will soon be implemented?

[Vo Van Kiet] They raised their demands with us and also resolved those issues we raised with them such as the question of debt liquidation, the transportation issue, and the question of ensuring synchronization for the working apparatus of both sides. All these issues will be resolved on a step-by-step basis. For instance, Kazakhstan, a land-locked country, asked us for cooperation in ground and air transportation. But we were only interested in railroad cooperation.

This time the two sides [Vietnam and Russia] signed a new treaty to replace the old one signed with the former Soviet Union. From now all, all new agreements will be based on the new principles laid down in this treaty.

Based on the spirit of this new treaty, we will review various old agreements to adjust and revise inappropriate provisions. Both sides will continue to discuss issues concerning the avoidance of double taxation and measures to promote investment protection while strengthening cooperation in the implementation of the treaty.

[Correspondent] Will the establishment of direct relationships between Vietnam and the CIS states be more advantageous than the relationship between Vietnam and those republics of the former Soviet Union in the past?

[Vo Van Kiet] In the past, we made contact with various Soviet Republics through the former Soviet Union, now we have established direct relationships with the CIS states as well as with the Russian Federation. This has created favorable conditions for us to directly get in touch and closely cooperate with these independent states.

Dear friends: the Prime Minister also answered many other questions asked by newsmen, including those issues related to Vietnamese workers abroad, measures and orientations for cooperation with these friendly states to reorganize Vietnamese workers and provide jobs for them, plans to help and create favorable conditions for them to return home at the end of their contracts, and appropriate measures to deal with those Vietnamese workers who violate the law of the host countries.

Tour Hailed by NHAN DAN

BK2006100294 Hanoi VNA in English 0652 GMT 20 Jun 94

[Text] Hanoi VNA June 20—Hailing the success of Prime Minister Vo Van Kiet's recently concluded visits to Ukraine, Kazakhstan and Russia, the daily NHAN DAN today frontpages an article saying that the visits have opened a new era for the consolidation, development and expansion of the multi-faceted cooperation between Vietnam and these countries.

The paper confirms that the visits are an important land mark in the traditional friendship relations between Vietnam and the former Soviet Unions' republics in the past and the Commonwealth of Independent State (CIS) at present.

The paper continues: "After major political changes which led to the disintegration of the Soviet Union, the relationship and cooperation between Vietnam and the republics of the former Soviet Union were sometime at a pause due to great difficulties faced by these republics". However, the paper goes on, it could be affirmed that after Prime Minister Vo Van Kiet's visits the mutual understanding, the friendship and cooperation for development on the basis of principles of equality, mutual benefits between Vietnam and Ukraine, Kazakhstan and Russian Federation have been enhanced.

The paper points out that during the talks and meeting with Prime Minister Kiet, and leaders of the governments and parliaments of Ukraine, Kazakhstan and Russia spoke highly of the achievements recorded by the

Vietnamese people in their cause of renovation as well as Vietnam's widely-opened foreign policies.

Following the improvement of relations with neighbouring countries, Southeast Asian, Northeast Asia and West European countries, Cuba and South Asian countries, the recent visits are new achievements of Vietnam external relation field. It vividly proves that Vietnam's foreign policy—to be friend with all nations striving for peace, independence and development—is correct and consistent.

Replying the daily NHAN DAN's question on the results of his current visits to Ukraine, Kazakhstan and Russia, Prime Minister Vo Van Kiet said:

"The major achievement is friendship which has created conditions to expand new cooperative ties between Vietnam and other countries. In the past, Vietnam had relations with these countries, but from now on such relations would be further developed. From longstanding traditional relations, we have created conditions for the establishment of new relations and fine cooperation. We have strong point of goods which these countries need. Vietnam is implementing its renovation while Russia is implementing its reform. Both sides have demand on new relations. Vietnam and the CIS have capabilities to cooperate with each other for a long time".

Visits Hailed

BK2006151794 Hanoi Voice of Vietnam in English 1000 GMT 20 Jun 94

[Text] Vietnamese Prime Minister Vo Van Kiet has concluded his official visit to Ukraine, Kazakhstan, and Russia successfully. Following is our radio review on results of the visit.

Vietnam has traditional friendship and cooperation with Ukraine, Kazakhstan, Russia, and other republics of the former Soviet Union. After political changes that lead to the collapse of the former Soviet Union, relations between Vietnam and members of the former Soviet Union were suspended because these countries met with numerous difficulties.

The first visit to Ukraine, Kazakhstan, and Russia by the Vietnamese prime minister has breathed a new life into the traditional relations between Vietnam and these countries.

After the visit, the mutual understanding, friendship, and cooperation have been developed in the principles of equality and mutual benefit. It is worthy of note that during the visit, Vietnam and Russia signed four important agreements, including the treaty on the principle of friendly relations between the two countries. The treaty is a foundation for the restructuring of cooperation to make relations between the two countries develop effectively.

On this occasion, ministers, vice ministers, and businessmen who accompanied the prime minister exchanged views with their Russian counterparts to study the market and the possibility of cooperation between the two countries.

Following the visit, ministries, branches, and enterprises of Vietnam and Ukraine, Kazakhstan, and Russia will work out concrete plans for more effective cooperation.

Prime Minister Vo Van Kiet said upon his return home from Moscow that Vietnam has resumed its friendship with members of the Commonwealth of the Independent States on the basis of new relations.

Vice Minister Meets Japanese Foreign Minister

BK1806074794 Hanoi VNA in English 1519 GMT 17 Jun 94

[Text] Hanoi VNA June 17—Japan's unchangeable policy is to develop its cooperation with Vietnam despite political changes in Tokyo, said Japanese Foreign Minister Kakizawa while receiving yesterday Vice Foreign Minister Vu Khoan who was attending an international meeting there.

Both Mr Kakizawa and Mr Vu Khoan expressed their pleasure at the expansion and consolidation of the friendly and cooperative reactions between the countries, especially those following Prime Minister Vo Van Kiet's visit to Japan. They also exchanged views on measures to be taken to further those relations.

On the same day, Mr Vu Khoan had a meeting with Mr. A. Nishigaki, chairman of the Overseas Economic Cooperation Fund (OECF) during which host and guest exchanged views on the implementation of Japan's aid programme for Vietnam and things to be done for their effective cooperation.

UNHCR, Government Integration Program

BK1806110494 Hanoi Voice of Vietnam in English 1000 GMT 17 Jun 94

[Text] Following is the report on the conference to review the United Nations High Commission for Refugees' [UNHCR] five years of work on refugee program in Vietnam.

The conference to review the five years of work under the repatriation program for refugees were held on Friday and Saturday in Haiphong by the UNHCR and the Ministry of Labor, War Invalids, and Social Affairs. The conference was attended by the representatives of the interior, foreign and other ministries, representatives of 35 provinces and cities nationwide which have been involved in the program.

Over the past five years, the Vietnamese Government, with the assistance of UNHCR and international community, have received more than 62,000 voluntary repatriates, and helped them in bringing their lives back to normal and learning a trade to support themselves. Today, the UNHCR and the ECIP [EC Integration Program] have sponsored nearly 200 job training centers in Vietnam for returnees. Since June 1992, ECIP was expanded to 18 provinces and cities throughout the country with total expenditure set at $130 million.

Addressing the conference, UNHCR representative Mr. Christopher Carpenter highly valued the goodwill, humanitarian policy, and great effort made by the Vietnamese Government in helping returnees to settle down in their homeland. By the end of 1995, the UNHCR is prepared to receive more than 52,000 Vietnamese voluntary repatriates still living in camps in foreign countries.

Thai Prime Minister Attends Loan Ceremony

BK1906154794 Hanoi VNA in English 1351 GMT 19 Jun 94

[Text] Hanoi VNA June 19—An agreement on a USD [U.S. dollars] 100 million credit to Vietnam was signed in Bangkok on June 16 between representatives of 14 Thai and foreign banks and several international financial organizations and a representative of Vietnam.

With this loan, for the first time Vietnam has opportunity to mobilize commercial fund from international private capital market. The five-year credit carries a two-and a half year grace period and repayment is to be made every six months with an interest bases on the London Interbank Offered Rate (LIBOR) plus 2.25 percentage points.

This credit will be used for the development of electricity, cement and production in Vietnam.

Present at the signing ceremony were Thai Prime Minister Chuan Likphai, Thai Finance Minister Tharin Nimmanahemin, governor of the Vietnam State Bank Cao Sy Khiem.

Addressing the event, Thai finance minister pointed to the importance of this event, saying that 'it paves the way for Vietnam's further access to international financial market'.

He praised the achievements Vietnam recorded during its renovation process, and stressed: 'In the past few years since the adoption of the 'Doi Moi' policy, reform efforts undertaken by the Government of Vietnam have yielded impressive results. This is amply illustrated by the fast growth of the domestic economy, lower inflation, healthier external balances and strengthened international reserves position. Five years ago, few people imagined that Vietnam would reach the present stage of development in such a short span of time....Vietnam's take-off process has been irrevocably put in motion and the future course is very promising'.

For his part, the governor of the Vietnam State Bank, Mr. Khiem said: 'The signing of this loan syndication marks a significant achievement in our effort to gain access to international market. In tandem, it also signifies the transformation of Bangkok into a funding centre whereby Thai and foreign banks as well as finance companies may come together and syndicate loans of this nature in support of other countries. From now on, through this market, Vietnamese financial institutions as well as enterprises are given an opportunity to mobilize funds needed for the development of the economy'.

Addressing the event, Thai Prime Minister Chuan Likphai said: 'This loan agreement marks a new era which sees the commercial financial market effectively opened for the Socialist Republic of Vietnam. It is remarkable that within a short period of a few years after Vietnam has re-oriented its economy towards the market system, Vietnam is now being fully reintegrated into the international community.

'The successful conclusion of this first loan syndication for Vietnam under the leadership roles of both the Exim [Export- Import] Bank and Krung Thai Bank has clearly demonstrated that my government has full confidence in the Vietnamese leadership and is determined to assist Vietnam in her reconstruction effort in every way possible'.

IMF Grants Vietnam $50-Million Loan

BK1906125094 Hanoi Voice of Vietnam in English 1000 GMT 17 Jun 94

[Text] The International Monetary Fund has announced to grant Vietnam a loan of $50 million for the rehabilitation of economic development in Vietnam in 1994.

Meanwhile the World Bank lent Vietnam credit for the upgrading of the section from Ho Chi Minh city to Can Tho and the section between Hanoi and Nhatrang on Highway No.1. The World Bank also provided loans for the improvement of primary education system and agricultural development program, including three such projects for agricultural credit, rubber plantation, and intensive farming.

The World Bank expert said that in the coming three or four years, international credits to vietnam will reach $315 million per year.

Further on National Assembly Proceedings

17 Jun Proceedings

BK1706143294 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 17 Jun 94

[Text] Today, National Assembly deputies continued work in the Ba Dinh Conference Hall to debate and pass chapters six to 17 of the draft labor code under the direction of National Assembly Vice Chairman Phung Van Tuu.

The majority of deputies agreed to pass chapter six on wages, chapter seven on working hours and break times, chapter eight on work discipline and material responsibility, chapter nine on working safety and sanitation, chapter 10 on separate stipulations for female workers, chapter 11 on separate stipulations for juvenile and other workers, chapter 12 on social insurance, chapter 13 on worker unions, chapter 14 on labor disputes, chapter 15 on state management over labor, chapter 16 on state inspection of labor and punishment for labor law violations, and chapter 17 on the implementation clause.

The drafting committee for the draft labor code presented the draft after receiving opinions from National Assembly deputies. At the conclusion of this afternoon's session, the National Assembly agreed to pass the entire draft labor code and empowered the National Assembly Standing Committee to reexamine all details a final time before presenting it to the state president for promulgation.

Tomorrow, the National Assembly will continue its work in the conference hall.

Communique No. 17 Issued

BK1906074494 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Jun 94

[Text] The National Assembly Office issues Communique No. 17 as follows:

On 17 June, the National Assembly held its work in the conference hall under the direction of National Assembly Vice Chairman Phung Van Tuu to continue to pass the labor code. Bui Ngoc Thanh, member of the National Assembly Secretariat read the full text of the draft labor code from chapter six onwards for the National Assembly to debate and approve.

57 National Assembly deputies offered their opinions on some articles and paragraphs of the draft labor code. They are Nguyen Thanh Phong and Phan Minh Tanh of Dong Thap; Le Thi Thuy, Lo Trung Thanh, and Nguyen Quoc Thuoc of Nghe An; Ha Dang of Phu Yen; Trinh Chan of Ha Giang; Pham Huy Tho and Pham Hung of Hai Hung; Vo Tong Xuan of Can Tho; Nguyen Don, Nguyen Thi Binh, and Hoang Minh Thang of Quang Nam-Da Nang; Vu Dinh Cu, Ton That Bach, Chu Thuy Quynh, and Tran Thi Tam Dan of Hanoi; Le Viet Duoc of Thanh Hoa; Hoang Dinh Cau and Tran Thi Thanh Thanh of Ha Tay; Huu Tho and Bui Huu Hai of Vinh Phu; Cu Hoa Dan of Lao Cai; Nguyen Duc Hoan of Quang Tri; Tang Van Luy, Nguyen Thi Nhung, Nguyen Viet Dung, and Tran Duc Tam of Ha Bac; Trinh Hong Duong, Thang Nghia, and Nguyen Khac Tao of Ha Tinh; Nguyen Van Tu of Dong Nai; Nguyen Binh Giang of Quang Ninh; Duong Khanh Lam of Bac Thai; Truong Tan De of Vinh Long; Le Thi Bich and Le Duc Binh of Ninh Binh; H' Nghia of Gia Lai; Doan Le Huong, Truong My Hoa, Pham Quang Du, Vu Tuat Viet, Le Minh Chau, Do Hoang Hai, Nguyen Van Tang, Tran Du Lich, and Nguyen Minh Thanh of Ho Chi Minh City; Trieu Thi Nhay and Lam Phuc Co of Yen Bai; Tran Chi Liem and Nguyen Thi Viet Nhan of Kien Giang; Dam Van Nguy of Cao Bang; Nguyen Thi Hoai Thu of Tien Giang; Dang Khoi and Nguyen Thi Than of Nam Ha; and Ha Manh Tri and Vu Manh Trinh of Thai Binh.

During the debate, Tran Dinh Hoan, minister of labor, war invalids, and social, on behalf of the Law Drafting Committee, further explained some issues queried by the National Assembly deputies. The National Assembly voted on some articles on which there were still differing views. Then it voted to pass from chapter six onwards of the Labor Code. With high unanimity, the National Assembly voted to pass the entire text of the Labor Code. This is a very important law. It is the legal foundation for adjusting both the labor relation between employees and employers and social relations which are directly involved with the labor relation in the new period.

Tomorrow, 18 June, the National Assembly will work in the conference hall to pass the bill on tax levied on the transfer of rights on land usage.

18 Jun Proceedings

BK1906105194 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Jun 94

[Text] Today, the National Assembly held its work in the conference hall to pass the bill on the transfer of rights on land usage under the direction of National Assembly Vice Chairman Nguyen Ha Phan.

At the beginning of the session, Finance Minister Ho Te read a report compiling National Assembly deputies' views on the bill. Then, Ly Tai Luan, deputy head of the National Assembly Legislative Committee presented the full text of the revised bill on tax levied on the transfer of rights on land usage after receiving National Assembly deputies' opinions.

The bill on the transfer of rights on land usage consists of seven chapters with 29 articles. The National Assembly continued to contribute opinions before passing each chapter.

In the morning session, the deputies contributed many opinions on some articles, especially article eight regulating tax rates for the transfer of agriculture land—particularly rice growing land—for other purposes. Somebody suggested raising the tax rate from 40 percent to 50 percent in order to protect the decreasing amount of agriculture land. However, somebody else proposed that the tax rate for the transfer of agriculture land to build industrial projects should be reduced because a high tax would discourage entrepreneurs from building industrial projects in rural areas. Some opinions suggested that the National Assembly should only regulate a tax scale and the government and the National Assembly Standing Committee are empowered to set concrete tax rates for each projects built in rural areas.

In the afternoon, after the Law Drafting Committee amended some articles as suggested by the deputies, the National Assembly passed the entire bill on the tax levied on the transfer of rights on land usage. Also in the afternoon session, National Assembly Vice Chairman Dang Quan Thuy reported on Comrade Mai Thuc Lan's application to resign from the positions of member of the National Assembly Standing Committee and head of the National Assembly's Economic and State Budget Committee for other official duty. The National Assembly voted in secret on Comrade Mai Thuc Lan's application.

Tomorrow, the National Assembly will have an all-day break. On Monday, it will continue its work in the conference hall.

Labour Law Passed

BK1906105894 Hanoi VNA in English 1349 GMT 18 Jun 94

[Text] Hanoi VNA June 18—The National Assembly at its fifth session on June 17 passed the Labour Law with 326 (out of 332) votes in favour.

The Labour Law, the first of its kind in Vietnam, includes 12 chapters and 198 articles. To ensure the interest of both employees and employers, the law includes provisions on jobs, job training, labour contracts and collective labour agreements, wages, working and rest hours, labour disciplines, material responsibilities, labour safety, woman and juvenile labour, local employees at foreign enterprises and foreign labour in Vietnam, and so on. The law also stipulates such issues as social insurance, trade unions and their roles, labour disputes, state management on labour, state labour inspection and punishment for labour law breaking.

The chapter on settlement of labour disputes including the issue of strike caused hot discussions. The law provides that strike shall be decided by the executive committee of the trade union at grassroots level with more than half of its secret votes or signatures in favour. The law seriously prohibits any acts of violence causing damage to machinery and equipment and other properties of the enterprises, and public disorders during the strike. Article 174 stipulates that no strike shall be allowed at public service enterprises and major enterprises essential to the national economy or national security and defence listed by the Vietnamese Government.

Communique No. 18 Issued

BK1906133294 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 18 Jun 94

[Text] The Fifth Session of the Ninth National Assembly issued Communique No. 18 as follows:

On 18 June, the National Assembly worked in the conference hall under the direction of National Assembly Vice Chairman Nguyen Ha Phan. The National Assembly devoted its time to pass the bill on the transfer of rights on land usage. Finance Minister Ho Te, on behalf of the Law Drafting Committee, the Investigative Committee, and the National Assembly Secretariat [NAS] read a report compiling National Assembly deputies' views on the bill. Then, NAS member Ly Tai Luan presented the full text of the revised bill on tax levied on the transfer of rights on land usage for the National Assembly to debate and approve.

Forty-six National Assembly deputies offered their opinions on some articles of the bill. They are Vo Tong Xuan and Phan Van Tinh of Can Tho; Nguyen Thanh Phong of Dong Thap; Hoang Bich Son of Binh Thuan; Nguyen Quoc Thuoc and Le Thi Thuy of Nghe An; Dang Van Huy of Cao Bang; Le Quang Dao of Hanoi; Huu Tho and Nguyen Xuan Thiet of Vinh Phu; Ha Dang and Tran Thi Minh Chanh of Phu Yen; Do Binh Duong, Phan Van Luy, Nguyen Viet Dung, Nguyen Van Nhan, and Nguyen Hoa Binh of Ha Bac; Nguyen Van Binh and Le Thi Thanh Liem of Ben Tre; Phan Minh Thanh and Nguyen Thi Hoai Thu of Tien Giang; Le Minh Chau, Le Khac Binh, and Pham Phu of Ho Chi Minh City; Thang Nghia and Trinh Hong Duong of Ha Tinh; Ha Dinh Xo of Thanh Hoa; Nguyen Thiet Hung and Tran Minh Dan of Khanh Hoa; Hoang Minh Thang, Nguyen Don, and Ha Thi Thu Suong of Quang Nam-Da Nang; Tran Quang Ngoc of Nam Ha; Pham Nguyen Tan and Pham Hung of Hai Hung; Nguyen Ngoc Tran of An Giang; Danh Ut of Kien Giang; Bui Thi Binh of Hoa Binh; Cu Hoa Dan of Lao Cai; Lam Phuc Co of Yen Bai; Truong Thi Khue and Nguyen Duc Hoan of Quang Tri; Ha Thai Binh of Soc Trang; Tran Anh Kiet of Quang Ngai; Hoang Dinh Cau of Ha Tay; and Tran Chu Hoan of Gia Lai.

During the debate, Finance Minister Ho Te, on behalf of the Law Drafting Committee, further explained some issues queried by the National Assembly deputies. The deputies voted on some articles on which there were sill differing views. Then they voted to pass each chapter of the bill. With high unanimity, the National Assembly voted to pass the entire text of the bill on tax levied on the transfer of rights on land usage. This bill will contribute to strengthen state management on land, encourage efficient use of land, ensure justice in tax obligation, and collect some revenue for the state budget from people who transfer their rights on land usage.

Late in the afternoon session, National Assembly Vice Chairman Dang Quan Thuy presented a National Assembly Standing Committee [NASC] report on Comrade Mai Thuc Lan's application to resign from the positions of NASC member and head of the National Assembly's Economic and State Budget Committee for other official duties. The National Assembly voted in secret on Comrade Mai Thuc Lan's application.

On Monday, 20 June, the National Assembly will work in the conference hall.

20 Jun Proceedings

BK2006150194 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 20 Jun 94

[Summary] "Today the deputies continued their debate at the conference hall on the draft law on the organization of people's councils and people's committees." The session was held under the direction of National Assembly Chairman Nong Duc Manh.

In the morning, "the deputies passed chapter 1 of this draft law, which contains generalities. They also debated chapter 2 which deals with people's councils."

In the afternoon, Comrade Nguyen Van Yeu, member of the session Secretariat, re-read the articles already revised in chapter 2 of the draft law. Several deputies called for adding a nationalities and religious affairs committee to each people's council. "The National Assembly later decided to temporarily postpone the debate on chapter 2 so the secretariat can make some changes."

Afterward, Mr. Phan Ngoc Tuong, minister of state in charge of the government committee for cadre organization, solicited the views of the deputies on chapter 3 which deals with people's committees; on Chapter 4 which provides stipulations for changes in the level of control or in territorial limits of administrative units; and on chapter 5 which provides a clause for enforcement.

"Tomorrow, the National Assembly deputies will continue their debate at the conference hall on this draft law."

Communique No. 19 Issued

BK2006154394 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 20 Jun 94

[Communique No. 19 issued by the Ninth National Assembly fifth session]

[Text] Today, 20 June, the National Assembly held a plenary meeting at the conference hall in Hanoi under the direction of National Assembly Chairman Nong Duc Manh.

In the morning session, the National Assembly heard Pham Loi, chief of the voting verification committee, report on the National Assembly's unanimously voting to approve the resignation of Comrade Mai Thuc Lan, member of the National Assembly Standing Committee and chairman of the Economic and Budget Committee, who will be assigned to a new position.

Afterward, the National Assembly continued to debate the revised draft law on the organization of people's councils and people's committees. The National Assembly also heard Comrade Phan Ngoc Tuong, minister of state in charge of the government committee for cadre organization, on behalf of the law drafting committee, deliver a compiled report on ideas of deputies concerning the revised draft law on election of the people's councillors. Afterward, Comrade Nguyen Van Yeu, member of the National Assembly session secretariat, read the text of the revised draft law on organization of the people's councils and people's committees. A total of 40 deputies expressed their views on these laws. They include Nguyen Viet Dung from Ha Bac; Doan Van Nghi from Cao Bang; Dieu Bao from Dong Nai; Nguyen Phu Cuong from Lang Son; Ha Dang from Phu Yen; Bui Thi Binh and Nguyen Nhu Cap from Hoa Binh; Tran Minh Xuan from Khanh Hoa; Pham Van Kiet from Can Tho; Vo Nguyen Quan and Nguyen Binh Ngo from Thua Thien-Hue; Nguyen Duy Qui and Le Trung Thanh from Nghe An; Nguyen Thi Thu and Nguyen Khac Tao from Ha Tinh; Nguyen Van Tam from Ha Tay; Phan Khac Tuong, Tran Du Lich, Le Khac Binh, and Nguyen Van Rang from Ho Chi Minh City; Nguyen Duc Hoan from Quang Tri; Hoang Cong Dung from Yen Bai; Nguyen Trong Xuyen, Le Duc Binh, and Le Thi Bich from Ninh Binh; Vu Dinh Cu and Pham Loi from Hanoi; Tran Van Nhan from Binh Dinh; Bui Huu Hai and Huu Tho from Vinh Phu; Mai Thuc Lan from Quang Nam-Danang; Ha Manh Tri from Thai Binh; Cu Hoa Van from Lao Cai; Tran Van Mau from Ben Tre; Nguyen Thi Hong Minh from Minh Hai; Y Ngong Niek Dam from Dac Lac; Vu Mao and Dang Khoi from Nam Ha; Nguyen Duy Anh from Lam Dong; and Tran Anh Kiet from Quang Ngai.

The National Assembly voted on various issues and approved a number of chapters of the aforementioned draft laws.

Tomorrow, 21 June, the National Assembly will continue its work at the conference hall.

New Export-Import Tariff To Come in Jul

BK1806101094 Hanoi VNA in English 0631 GMT 18 Jun 94

[Text] Hanoi VNA June 18—The prime minister has recently promulgated decision 280/TTG announcing new tariff to be imposed on exports and imports from July 1.

According to the new decision, tax rate levied on a number of import goods will be changed. Of them import tariff imposed on buses will be 50 per cent, motor vehicles of 15-24 seats (100 per cent), 5-15 seaters (150 per cent) and cars with less than five seats (200 per cent), 5-tonnes trucks (60 per cent) and under-20 tonne trucks (30 per cent), motorcycles and mopeds (50 per cent) and car tyres (10-40 per cent).

The rate varies from 120 to 150 per cent for alcoholic beverages and 120 per cent for tobacco.

The rate for light industrial goods such as ready-made garments, textile products and leather shoes is 50 per cent, carpets and embroidery articles (40 per cent), newsprint (20 per cent), processed vegetables and fruit (40 per cent), vinegar and substitutes made from acid acetic (70 per cent).

Nghe An Province To Increase Cooperation

BK1806100794 Hanoi VNA in English 0643 GMT 18 Jun 94

[Text] Hanoi VNA June 18—Local authorities of Bolikhamsai province (Laos) and Nghe An province (central Vietnam) have signed recently minutes on cooperation in economy, culture and social affairs.

The agreement was made during a visit by a delegation of Nghe An province led by its people's committee President Pham Xuan Tuy to Bolikhamsy. The two sides also agreed to open one more check-point in Gnot Nam area which has common border line with Nghe An.

Earlier, a delegation of the archive department of the Prime Minister's Office led by its Deputy Head Duong Van Kham, paid a week-long working visit to Laos, ending on June 16.

Securities Market Decrees Under Close Study

BK2006155494 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 18 Jun 94

[Text] The State Bank reported recently that the Government Loans Market Research Committee has completed three draft legal documents related to establishing a securities market in Vietnam.

The draft document on setting up the securities market specified tasks to be carried out from now until the establishment of a liaison office for the market.

The draft decree on stocks and securities market is composed of 101 articles dealing with the issuance, posting, selling, and transferring of stocks and shares; foreign investment in securities; and capital and bonds of companies and corporations.

The draft decree for a National Securities Committee stipulates that the committee is an independent administrative agency affiliated with the government.

These three draft documents have been submitted to the Monetary and Financial Council and have been highly appraised by the government.

Department Discusses Training of Lecturers

BK1906133694 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 17 Jun 94

[Text] The party Central Committee's Science and Ideology Department recently held a seminar in Ho Chi Minh on the planning and training of the contingent of lecturers on Marxism-Leninism and on Ho Chi Minh thought.

Participants noted that the contingent of lecturers on Marxism-Leninism have contributed greatly to equipping the people with insights into Marxism-Leninism and Ho Chi Minh thought while teaching revolutionary concepts for the younger generation, party cadres and members, and the working people.

Long An Provides More Household Electricity

BK1906155194 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Jun 94

[Text] Long An has invested tens of billion of dong to build a medium-voltage power line linked with the national electric network. The local people have contributed 50 percent of the construction cost.

At present, 130 of the 180 villages and wards of the province use electricity supplied by the national grid. All 32 villages of Duc Hoa and Chau Thanh districts have been provided with electricity for home use and production.

Long An is striving to supply electricity to all villages in the province in 1995 using its own budget, money collected from electric fees, and funds contributed by the local people.

Australia

Envoy's Criticisms Pose Challenge to Ties

BK1606150494 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 3 Jun 94 p 1

[By Peter Gill and Bill Pheasant]

[Text] Indonesia's ambassador, Mr. Sabam Siagian, has warned that Australia could become a "stagnant, inward-looking, sulking" country, just as the federal government is embracing its northern neighbor in a new, closer relationship. The comments are a direct challenge to the government's efforts to move Australia closer to Asia, and drew a sharp response from the minister for foreign affairs, Senator Evans.

Mr. Siagian, speaking to a group of business leaders in Melbourne, said cooperative ventures would help Indonesia become a "modern, outward-looking country", but cooperative linkages, I believe, are also beneficial for Australia. "At least they are helpful to overcome the tendency to remain an isolated, comfortable island of western civilization down under, thus becoming a stagnant country."

"A stagnant, inward-looking, sulking Australia definitely is not in the interests of a dynamically growing Indonesia." In response, Senator Evans strongly denied Australia was stagnant or sulking. Through a spokeswoman, he said last night: "It looks like either the reporter or Sabam got his tenses mixed up: we are no longer stagnant and inward-looking, and we have never been sulking."

The tough critique by Mr. Siagian came as Senator Evans was warmly talking up a new relationship with Indonesia in response to a parliamentary committee report on the relationship between the two countries. Senator Evans said sensitivities in the relationship would remain over issues such as human rights, but closer ties were manifest in events such as a big trade and cultural promotion scheduled this month in Jakarta. Eight ministers, including the prime minister, Mr. Keating—who has invested much of his foreign policy credibility in Australia's relationship with Indonesia—will attend the Australia Today: Indonesia '94 exercise.

The significance of Mr. Siagian's comments yesterday are the reflection they contain on the success the federal government has achieved to date in its quest for a closer relationship with Asia. Mr. Siagian was speaking at the launch of an association between the Australian legal firm Minter Ellison Morris Fletcher with Makarim & Taira S, a leading corporate law firm and trade consultancy in Jakarta: "I do hope that this cooperative venture between the two legal firms will help in some way in establishing a good relationship between our two countries, but also provide a significant contribution to the increasingly solid ballast as an underpinning for the expanding and deepening relationship between Indonesia and Australia."

Earlier, Senator Evans told parliament: "We are poised to enter a new phase in our relations [with Indonesia]."

"We can build on our gains so far, and we must take advantage of the momentum for taking forward the relationship which now exists."

A senior lawyer with Makarim & Taira S, Mr. Nono Makarim, told the assembled lawyers and company directors that Australia needed to learn from Japanese economists such as Saburo Okita that industrialized countries had to leave basic manufacturing to developing countries.

Mr. Makarim said Indonesian government and business leaders had adopted the ideas of Saburo Okira, "who said 'developed countries ... if you want to continue growing, go in the direction of the sophisticated industries, of the technology-intensive industries, and leave the simple industries for the developing countries'. That was very attractive and they believed that."

Mr. Makarim warned that Australia's protection of its manufacturing industries could affect the bilateral relationship between the two nations.

New Caledonia

Fijian President Arrives for Five-Day Visit

BK1906084394 Hong Kong AFP in English 0909 GMT 18 Jun 94

[Text] Noumea, June 18 (AFP)—Fijian President Ratu Sir Kamisese Mara arrived Saturday in New Caledonia for a five-day official visit at the invitation of the French Government.

The Fijian leader, who received military honors after arriving from the French territory of Wallis and Futuna, called for closer relations with New Caledonia.

He stressed that his country had no objections to French policy in the South Pacific, particularly since the start of the moratorium on nuclear testing in French Polynesia.

The president was to meet Saturday with members of the Fijian community in New Caledonia.

On Monday he will visit the headquarters of the Commission of the South Pacific and the Agency for the Development of Kanak Culture, before meeting with representatives of New Caledonian political parties and institutions.

He is scheduled to leave the territory on Wednesday.

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